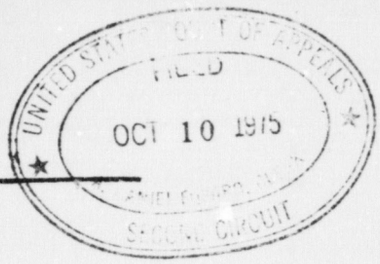
United States Court of Appeals

for the Second Circuit

APPENDIX

75-7536



UNITED STATES COURT OF APPEALS
For the Second Circuit

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

Plaintiff-Appellee,

against

OVERSEAS NATIONAL AIRWAYS

Defendant-Appellant

Appeal from the United States District Court
for the Eastern District of New York

A P P E N D I X

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by Ronald A. Kochman
10/10/75

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DOCKET ENTRIES

75 CIV. 836

DATE	PROCEEDINGS
5/29/75	Complaint filed. Summons issued.
5/29/75	Defendant's Memorandum in Opposition to Plaintiff's Application for a Temporary Restraining Order filed.
5/29/75	Memorandum of Law filed.
5/29/75	By COSTANTINO, J. - Order to Show Cause dated 5/29/75 filed that Overseas National Airways, Inc. show cause on June 4, 1975 why an order should not be issued granting to plaintiff a preliminary injunction, etc. and that until the hearing and decision upon Plaintiff's motion for a preliminary injunction that the defendant, et al, are directed to withdraw prior notice to the ONA pilots requiring them to station themselves within three hours driving distance of their respective domiciles during their days of reserve duty, etc. (Temporary Restraining Order - See Order).
5/30/75	Undertaking on Injunction filed.
6/04/75	Affidavit in Opposition to Injunctive Relief filed.
6/04/75	Defendant's Supplemental Memorandum in Opposition to the Temporary Restraining Order and any further injunctive relief filed.
6/04/75	Before COSTANTINO, J. - Case called - Order to Show Cause and Temporary Restraining Order argued - Decision reserved.
6/06/75	By COSTANTINO, J. - Memorandum and Order dated June 6, 1975 re that the motion for a preliminary injunction is denied and the Temporary Restraining Order previously entered is vacated, filed. (p/c mailed to attorney's).

DATE	PROCEEDINGS
6/06/75	NOTICE OF APPEAL FILED. Copy sent to Court of Appeals and other parties.
6/06/75	Undertaking for costs on appeal filed.
6/10/75	Defendant's Memorandum in support of the Memorandum and Order dated 6/05/75 dissolving the Temporary Restraining Order, etc. filed.
6/10/75	By COSTANTINO, J. - Memorandum and Order dated 6/10/75 vacating the Order entered 6/5/75 pending reconsideration of Plaintiff's Motion for a Preliminary Injunction filed.
6/10/75	By COSTANTINO, J. - Stipulation for voluntary dismissal of appeal without prejudice filed.
6/11/75	Before COSTANTINO, J. - Case called - hearing resumed - Hearing order and begun - Hearing continued to 6/12/75.
6/13/75	Before COSTANTINO, J. - Case called. Hearing resumed. Hearing adjourned to 6/17/75.
6/17/75	Before COSTANTINO, J. - Case called - Hearing resumed - Hearing concluded - Decision reserved.
6/18/75	Findings of fact and conclusions of law filed.
6/18/75	Stenographer's transcriptions dated 6/13/75 and 6/17/75 filed
6/27/75	ANSWER filed.
7/24/75	By COSTANTINO, J. - Memorandum Decision dated July 24, 1975 urging neither party to take any action which will prejudice or injure the other and that the pilots continue to cooperate with the airline to the extent possible. In view of the above reasoning, the enforcement of Pilot Bulletin 35-75 must be preliminary (sic.) enjoined. A security bond of $5,000 shall be required. Settle order on notice. (p/c mailed.)

DATE	PROCEEDINGS
7/30/75	Undertaking on Injunction filed.
8/02/75	Letter dated August 1, 1975 from Stephen B. Moldof filed.
8/02/75	By COSTANTINO, J. - Order dated August 1, 1975 that pending final determination of this cause, and conditioned upon the posting of security by plaintiff in the amount of $5,000 that the defendant's are directed to withdraw ONA Pilot Bulletin #35-75 etc. filed.
9/12/75	Notice of Appeal with Bond on Appeal filed. Duplicate mailed to Court of Appeal and Plaintiff.
9/16/75	Notice of Motion and Motion to Validate Notice of Appeal filed September 12, 1975 returnable September 22, 1975 filed.
9/19/75	Memorandum in opposition filed.
9/22/75	Defendant's memorandum filed.
9/22/75	Before COSTANTINO, J. - Case called and defendant's motion to validate notice argued and granted. Submit order.
9/22/75	Stenographer's transcript dated June 11, 1975 filed.
9/24/75	By COSTANTINO, J. - Order dated September 23, 1975 granting defendant's extention to appeal to September 12, 1975 (sic.), and that a stay pending appeal contained in the Court's order of August 2, 1975 is vacated as of such time on September 30, 1975 as the Court of Appeals shall hear a motion for a stay pending appeal of the August 2, 1975 order.
9/26/75	Affidavit of Richard E. Hockman in support of immediate injunctive relief filed.
9/26/75	Affidavit of Robert G. Waring setting forth direct testimony of defendant's witness, etc. filed.

DATE	PROCEEDINGS
9/30/75	Record on appeal certified and handed to Mary Kloepfer for delivery to the Court of Appeals.
10/2/75	Acknowledgment for receipt of Index on Appeal from the Court of Appeals filed.

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL,

Plaintiff,

-against-

OVERSEAS NATIONAL AIRWAYS, INC.,

Defendant.

75 Civ.

COMPLAINT

Plaintiff, complaining of defendant, alleges:

FOR A FIRST CAUSE OF ACTION

1. This action for preliminary and permanent injunctive relief, damages and a declaratory judgment arises under the Railway Labor Act, as amended (hereinafter the "Act"), 44 Stat. 577, as amended, 45 U.S.C. §151, et seq.

2. This Court has jurisdiction of this action under 28 U.S.C. §§1331, 1337, 2201 and 2202. The matter in controversy exceeds the sum and value of $10,000, exclusive of interest and costs.

3. Plaintiff Air Line Pilots Association, International (hereinafter "ALPA") is an unincorporated association organized for the purposes and objectives of a labor organization. ALPA is a "representative", as defined in Section 1, Sixth of the Act, 45 U.S.C. §151, Sixth.

4. ALPA has actively represented and collectively bargained for air line pilots since 1931. It is the duly authorized collective bargaining representative under the Act for over 20,000 flight deck personnel or members employed by nearly all certificated carriers in the United States.

5. Defendant Overseas National Airways, Inc. (hereinafter "ONA" or "defendant" or the "company") resides and is doing business in this judicial district.

6. Defendant is now and at all times material to this action has been an air carrier engaged in the business of providing air transportation service in interstate and foreign commerce, pursuant to certificates of public convenience and necessity issued by the Civil Aeronautics Board under the Federal Aviation Act of 1958. Defendant is a "common carrier by air engaged in interstated or foreign commerce", as defined and used in §201 of the Act, 49 U.S.C. §181, and is subject to the provisions of the Act.

7. Defendant is a "supplemental air carrier" as defined in Section 101 (32) of the Federal Aviation Act of 1958. 49 U.S.C. §1301 (32), and as such engages in charter trips from various points throughout the United States and overseas.

8. ALPA is the duly authorized and recognized exclusive collective bargaining representative under the Act for the air line pilots, including the pilots-in-command ("Captains") and pilots now in reserve ("First Officers"), employed by defendant.

9. Defendant and the air line pilots in the service of ONA, as represented by ALPA, have in accordance with the provisions of the Act made and maintained for many years successive collective bargaining agreements covering the rates of pay, rules and working conditions of all air line pilots employed by defendant, including the existing collective bargaining agreement (hereinafter, the "Agreement") which was entered into effective July 1, 1973 and became amendable March 1, 1975.

10. All pilots employed by ONA, as represented by ALPA, are assigned to a pilot domicile established at a specified geographic location. Defendant has established and currently maintains such domiciles at New York, New York, Los Angeles, California, Sacramento, California and Macon, Georgia. Within each domicile pilots are assigned on the basis of periodic seniority bids to types of aircraft equipment. The company maintains DC-10 equipment at its New York and Los Angeles domiciles only, and DC-8 equipment at the New York domicile only. Other types of equipment are maintained at the various company domiciles. Approximately twelve (12) pilots employed by ONA, as represented by ALPA, are currently assigned to the DC-10 equipment at Los Angeles and approximately thirteen (13) such pilots are currently assigned to the DC-10 equipment at New York. Approximately sixty-six (66) such pilots are currently assigned to the DC-8 equipment at New York.

11. Pilots employed by ONA, as represented by ALPA, reside and maintain their homes at locations throughout the United States regardless of the location of their respective

ONA domicile. Approximately forty-nine (49) of the seventy-nine (79) pilots assigned to the DC-8 and DC-10 equipment at New York reside and maintain their homes more than one hundred fifty (150) miles from New York City. Approximately seven (7) of the twelve (12) pilots assigned to the DC-10 equipment at Los Angeles reside and maintain their homes more than one hundred fifty (150) miles from Los Angeles.

12. All pilots employed by ONA, as represented by ALPA, bid for and receive on a monthly basis either a "Scheduled Line" of flying or "Scheduled Reserve Line" (hereinafter "Reserve Line") of flying. A "Scheduled Line" of flying consists of a block of scheduled trips and days off duty in the applicable month. A "Reserve Line" of flying consists of a line showing days on duty in the month, without scheduled trips. Scheduled Lines and Reserve Lines are awarded on the basis of pilot seniority within pilot rank groups (i.e., Captain and First Officer) as assigned to types of aircraft equipment. Of the approximately one hundred forty-nine (149) pilots employed by defendant, as represented by ALPA, approximately eleven percent (11%), or sixteen (16) pilots, (hereinafter "Reserve Pilots") hold Reserve Lines of flying in any one month. The specific pilots holding Reserve Lines comprise a group that changes from month to month, depending upon the nature of Scheduled Lines available for monthly bid.

13. The Agreement provides, in Section 31(L) thereof, that all pilots, including Reserve Pilots, are entitled to at least twenty-four (24) hours' notification prior to reporting

time for any duty. The language of Section 31(L) has existed unchanged in successive agreements between ONA and ALPA for many years. In practice this provision has operated to enable ONA pilots to maintain their homes at great distances from their respective pilot domiciles, as described above.

14. On or about November 25, 1974, in accordance with the Agreement and Section 6 of the Act, 45 U.S.C. §156, ALPA gave notice to ONA of its desire to make certain changes in the Agreement, which was amendable as above stated on March 1, 1975. In such notice ALPA further advised ONA that all sections of the Agreement were considered open for purposes of discussion and change. On or about December 2, 1974, ONA agreed to commence negotiations for a new collective bargaining agreement.

15. Collective bargaining negotiations between ALPA and ONA toward a new agreement for ONA pilots, as represented by ALPA, commenced on or about January 4, 1975, pursuant to Section 6 of the Act. On or about January 20, 1975 ONA representatives informed ALPA pilot representatives in negotiations that ONA wished to delete Section 31(L) of the Agreement. ALPA representatives responded that the company's proposal was unacceptable and the matter was left on the table.

16. On or about April 15, 1975 ONA representatives proposed to ALPA pilot representatives in negotiations that Section 31(L) be amended to provide that the minimum notification period for Reserve Pilots be reduced to less than twenty-four (24) hours, with consideration to be given to assuring adequate rest for Reserve Pilots. Company representatives advised that the purpose of such proposal was to require Reserve Pilots to station themselves in the area of their respective domiciles on

their reserve duty days. ALPA pilots representatives responded that the company's proposal to amend Section 31(L) was unacceptable.

17. On or about April 17, 1975 negotiators for ALPA and ONA drew up a summary of all open and unresolved issues in the pilot negotiations. Section 31(L) was identified therein as an open issue with the company holding fast to its proposed amendment as described above.

18. On or about April 18, 1975 it was agreed by both ALPA and ONA that an impasse existed in collective bargaining negotiations, based on the summary of open issues described above, and a joint application for the services of the National Mediation Board was thereupon filed pursuant to Section 5 of the Act, 45 U.S.C. §155.

19. On May 13, 1975 the National Mediation Board docketed the ONA-ALPA dispute over a new collective bargaining agreement, and assigned to the dispute Case No. A-9750. To date no mediator has been assigned to the case.

20. On or about May 14, 1975, ONA, without prior notice to ALPA or its pilots without further conferring with ALPA as the statutory collective bargaining representatives of ONA pilots and without awaiting the convening of mediation procedures under the auspices of the National Mediation Board pursuant to Section 5 of the Act, unilaterally issued notices to all DC-8 and DC-10 pilots employed by ONA, as represented by ALPA, announcing that

"[e]ffective 1 June 1976 all line holders will be required to be within three (3) hours driving time of their equipment domicile during their days of reserve duty." Such unilateral notices further stated that "[t]he bid lines will reflect the duty days on the reserve lines and these are the days that the reserve line holder will be available per schedule as stipulated above."

21. ONA's notice and plan for unilateral imposition of a three (3) hour notification procedure for DC-8 and DC-10 pilots represent and constitute a major unilateral change in terms and conditions of employment for all pilots employed by ONA, as represented by ALPA, with particular adverse effects upon DC-8 and DC-10 Reserve Pilots.

22. ONA's notice and plan for unilateral imposition of a three (3) hour notification procedure for DC-8 and DC-10 pilots represent and constitute an effort to place into effect, prior to concluding a collective bargaining agreement under the Act, terms and conditions of employment proposed in negotiations by ONA but not agreed to by ALPA.

23. Upon receiving notice of the aforesaid unilateral course of conduct by ONA, ALPA promptly advised ONA that its program and notice, as aforesaid, abrogates the Agreement and the rights of ONA pilots as represented by ALPA. ALPA further requested that ONA immediately rescind its notices, as aforesaid, for unilateral change in pilot terms and conditions of employment. ALPA received no response to its communication to ONA.

24. On or about May 22, 1979, ALPA advised ONA that its programs and notices, as aforesaid, constituted a unilateral change in existing conditions of employment for the pilots in direct violation of mandatory requirements of the Act, and that ONA was attempting to make such unilateral changes while engaged in negotiations and mediation under the Act.

25. ONA, despite its obligations under the Act, has refused to maintain the status quo regarding the minimum notification period for Reserve Pilots, or observe the status quo requirements of the Railway Labor Act, pending completion of negotiations and mediation under the Act, by withdrawing its prior notices to DC-8 and DC-10 pilots for unilateral change in the notification period and requirement that Reserve Pilots station themselves at their respective pilot domiciles on reserve duty days.

26. ONA, despite its obligations under the Act, has advised ALPA representatives that it has no obligation to give written notice of intended change in accordance with Section 6 of the Act. ONA has further advised ALPA representatives that it has no obligations to bargain collectively with ALPA or to await the expiration of the 30 day cooling-off period under Section 6 of the Act as to announced unilateral changes in notification procedures for Reserve Pilots, prior to implementing such changes.

27. ONA's course of conduct, as aforesaid, constitutes an attempted unilateral modification and change of existing terms and conditions of employment by defendant, and an impermissible

exercise of self-help prior to exhaustion of the dispute resolution mechanisms of the Act, in direct violation of the mandatory provisions of Section 2, First, Second and Seventh, and Sections 5 and 6 of the Act, 45 U.S.C. §§152, 155 and 156.

28. ONA's course of conduct, as aforesaid, constitutes a refusal to bargain in good faith with ALPA, as the certified representative of its pilots, in direct violation of the mandatory provisions of Section 2, First, Second and Seventh, and Sections 5 and 6 of the Act, 45 U.S.C. §§ 152, 155, 156.

29. ALPA and the pilots employed by ONA as represented by ALPA, possess valuable rights under the Act and existing agreement which will be nullified and otherwise irreparably damaged by any continued attempt of ONA to carry out its course of conduct in violation of the Act, as aforesaid.

30. ONA, upon information and belief, will, unless promptly enjoined, continue to engage in the course of conduct in violation of the Act set forth above.

31. ONA's course of conduct, as aforesaid, has caused and, unless immediately enjoined will continued to cause substantial and irreparable damage to ALPA and the ONA pilots as represented by ALPA.

32. There is currently existing between ONA and ALPA, as parties with adverse legal interest, an actual case in controversy affecting legal relations between parties.

- 9 -

33. Neither ALPA nor the pilots employed by ONA have an adequate remedy at law for the violations of the Railway Labor Act set forth herein.

34. Neither ALPA nor the pilots employed by ONA have made any previous request for the relief sought herein.

FOR A SECOND CAUSE OF ACTION

35. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 34 above, as if fully set forth herein and with the same force and effect.

36. By reason of the multiple violations of the Railway Labor Act by ONA, as aforesaid, ALPA and the air line pilots employed by ONA, as represented by ALPA, have suffered substantial monetary damages, in an amount over ten thousand dollars ($10,000) presently undetermined and will continued to suffer additional damages in an amount presently unknown, for which ONA is liable under the provisions of the Act.

WHEREFORE, plaintiff respectfully requests that this Court issue:

1. A temporary restraining order and preliminary injunction, to be made permanent upon the conclusion of the trial of this action:

a. Directing defendant, its officers, employees and agents to withdraw prior notice to ONA pilots, as represented by plaintiff, respecting requirements for reserve pilots' location within three (3) hours' driving distance of their respective domiciles, and to advise all pilots that said notice is withdrawn;

b. Restraining and enjoining defendant, its officers, employees and agents from taking any action to directly or indirectly initiate, implement or otherwise place into effect any plan, determination or action requiring ONA pilots to station themselves any specified distance from their domiciles during their days of reserve duty, or in any other way reducing the minimum notification period prior to duty for ONA pilots, as represented by plaintiff, until such matter has been finally acted upon as required by Sections 5 and 6 of the Railway Labor Act, 45 U.S.C. §§155 and 156;

c. Directing defendant, its officers, employees and agents to rescind all actions heretofore taken directed towards requiring ONA pilots, as represented by plaintiff, to station themselves any specified distance from their respective domiciles during their days of reserve duty, or in any other way reducing the minimum notification period prior to duty for ONA pilots, as represented by plaintiff pending final action upon this matter between the parties as required by Sections 5 and 6 of the Railway Labor Act, 45 U.S.C. §§155 and 156;

d. Restraining and enjoining defendant, its officers, employees and agents from taking any action to change existing rates of pay, rules and working conditions of its pilots, as represented by plaintiff, unless and until such time as rates of pay, rules and working conditions are agreed upon between the parties in accordance with the collective bargaining agreement and Section 6 of the Railway Labor Act, and such matters have been finally acted upon as required by Sections 5 and 6 of the Railway Labor Act, 45 U.S.C. §§155 and 156.

2. A judgment awarding damages in such amount as is determined by this Court, as damages for losses resulting from defendant's willful violations of the Act and infringement of the rights of ALPA and the pilots employed by defendant, as represented by ALPA.

3. A judgment, to be made and entered upon the conclusion of the trial of this action, declaring the rights of the parties.

4. Such other and further relief as may seem just and proper to this Court, together with the costs and disbursements of this proceeding.

Dated: May 29, 1975.

COHEN, WEISS and SIMON
605 Third Avenue
New York, New York 10016
(212) [illegible]-6077

By [signature]
A Member of the Firm

Attorneys for Plaintiff
Air Line Pilots Association,
International

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL,

Plaintiff,

-against-

OVERSEAS NATIONAL AIRWAYS, INC.

Defendant.

75 CIV. 836 (MAC)

ORDER TO SHOW CAUSE AND TEMPORARY RESTRAINING ORDER

Upon the summons and complaint in this action, copies of which are annexed hereto, and upon the annexed affidavits of Milton Marshall and T.A. Secola, sworn to May 29, 1975, and notice having been given by plaintiff's counsel to defendant's counsel, as appears from the affidavit of Robert S. Savelson, sworn to May 28, 1975 and Michael E. Abram, sworn to May 29, 1975 and submitted herewith, and counsel for plaintiff + defendant having appeared before the Court, and sufficient cause appearing therefor, it is hereby

ORDERED, that the above-named defendant, Overseas National Airways, Inc. ("ONA"), show cause at a motion term of this Court to be held at Court Room 1 in the United State Court House, 225 Cadman Plaza, Brooklyn, New York on the 4th day of June, 1975 at 10:00 o'clock a.m., or as soon thereafter as counsel can be heard, why an order should not be issued granting to plaintiff a preliminary injunction, pursuant to Rule 65 of the Federal Rules of Civil Procedure:

(a) Directing defendant, its officers, employees and agents to withdraw prior notice to ONA pilots, as represented by plaintiff, respecting requirements for reserve pilots'

location within three (3) hours' driving distance of their respective domiciles, and to advise all pilots that said notice is withdrawn;

(b) Restraining and enjoining defendant, its officers, employees and agents from taking any action to directly or indirectly initiate, implement or otherwise place into effect any plan, determination or action requiring ONA pilots to station themselves any specified distance from their domiciles during their days of reserve duty, or in any other way reducing the minimum notification period prior to duty for ONA pilots, as represented by plaintiff, until such matter has been finally acted upon as required by Sections 5 and 6 of the Railway Labor Act, 45 U.S.C. §§155 and 156;

(c) Directing defendant, its officers, employees and agents to rescind all actions heretofore taken directed towards requiring ONA pilots, as represented by plaintiff, to station themselves any specified distance from their respective domiciles during their days of reserve duty, or in any other way reducing the minimum notification period prior to duty for ONA pilots, as represented by plaintiff pending final action upon this matter between the parties as required by Sections 5 and 6 of the Railway Labor Act, 45 U.S.C. §§155 and 156;

(d) Restraining and enjoining defendant, its officers, employees and agents from taking any action to change existing rates of pay, rules and working conditions of its pilots, as represented by plaintiff, unless and until such time as rates of pay, rules and working conditions are agreed upon between the parties in accordance with the collective bargaining agreement and Section 6 of the Railway Labor Act, and such matters have been finally acted upon as

required by Sections 5 and 6 of the Railway Labor Act, 45 U.S.C. §§ 155 and 156; pending the final determination of this action, and granting to plaintiff such other and further relief as the Court may deem just and proper.

And it is further appearing to the Court, from the complaint and affidavits above mentioned, that the unlawful course of conduct alleged therein is now being carried out by defendant, that the aforesaid course of conduct will continue unless restrained by order of this Court, and that the continued action of defendant in carrying out the aforesaid course of conduct will cause immediate and irreparable injury, loss or damage to plaintiff and the airline pilots employed by defendant, with particular adverse effect and irreparable injury upon those pilots who are assigned as reserve pilots before a hearing can be held on plaintiff's motion for a preliminary injunction, and the Court being satisfied that notice of plaintiff's application for a temporary restraining order should be issued prior to the scheduled hearing upon plaintiff's motion for a preliminary motion,

IT IS HEREBY ORDERED, that conditioned upon giving by plaintiff of security, as fixed by the Court, in the sum of $1,000.00 that until the hearing and decision upon plaintiff's motion for a preliminary injunction, unless this order be dissolved prior thereto, or extended thereafter, defendant, its officers, employees and agents, are hereby directed to withdraw prior notice to the ONA pilots requiring them to station themselves within three (3) hours driving distance of their respective domiciles during their days of reserve duty, and to advise all pilots that said notice is temporarily

withdrawn, and

IT IS FURTHER ORDERED, that defendant, its officers, employees and agents are restrained from taking any action to directly or indirectly initiate, implement or otherwise place into effect any plan, determination or action for the requirement that ONA pilots station themselves any specified distance from their domiciles during their days of reserve duty, or in any other way reduce the minimum notification period prior to duty for ONA pilots, until such matter has been finally acted upon as required by Sections 5 and 6 of the Railway Labor Act, 45 U.S.C. §§155 and 156, and

IT IS FURTHER ORDERED that defendant, its officers, employees and agents are directed to rescind all action heretofore taken directed towards the requirement that ONA pilots station themselves any specified distance from their domiciles during their days of reserve duty pursuant to defendant's plan, or in any other way reduce the minimum notification period prior to duty for ONA pilots, pending final action upon this matter between the parties as required by Sections 5 and 6 of the Railway Labor Act, 45 U.S.C. §§155 and 156, and

IT IS FURTHER ORDERED that defendant, its officers, employees and agents are restrained from taking any action to change existing rates of pay, rules and working conditions of its pilots, unless and until such time as the parties have reached an agreement on such rates of pay, rules and working conditions in accordance with the collective bargaining agreement and Section 6 of the Railway Labor Act, and such matters have been finally acted upon as required by Sections 5 and 6 of the Railway Labor Act, 45 U.S.C. §§155 and 156, and

IT IS FURTHER ORDERED, that service of a copy of this ORDER, together with the summons, complaint and affidavits submitted therewith, at

Chambers of Judge Costantino

on or before 12 o'clock m. on May 29, 1975 shall be deemed good and sufficient service.

/s/ Mark A. Costantino
United States District Judge

Dated: May 9, 1975

Time: 12:45 pm

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

- -X

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL,

Plaintiff,

-against-

OVERSEAS NATIONAL AIRWAYS, INC.,

Defendant.

- -X

75 Civ. 836 (MAC)

AFFIDAVIT

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

Theodore A. Secola, being duly sworn, deposes and says:

1. I am an air line pilot employed by Overseas National Airways, Inc. ("ONA" or the "Company"), defendant in the above-captioned action. I hold the rank of Captain. I am a member of plaintiff Air Line Pilots Association, International ("ALPA"). I am chairman of the ALPA Negotiating Committee for ONA pilots. I was also chairman of the Negotiating Committee in 1972-1973, when ALPA and ONA negotiated the current collective bargaining agreement for ONA pilots (hereinafter the "Agreement"). I make this affidavit in support of ALPA's application for immediate injunctive relief in the above-captioned litigation.

2. Defendant and the air line pilots in the service of ONA, as represented by ALPA, have in accordance with the provisions of the Act made and maintained for many years successive collective bargaining agreements governing the rates of pay, rules and working conditions of all air

line pilots employed by defendant, including the existing Agreement, which was entered into effective July 1, 1973 and became amendable March 1, 1975.

3. All pilots employed by ONA, as represented by ALPA, are assigned to a pilot domicile established at a specified geographic location. Defendant has established and currently maintains such domiciles at New York, New York; Los Angeles, California; Sacramento, California; and Macon, Georgia. Within each domicile pilots are assigned on the basis of periodic seniority bids to types of aircraft equipment. The company maintains DC-10 equipment at its New York and Los Angeles domiciles only, and DC-8 equipment at its New York domicile only. Other types of equipment are maintained at the various company domiciles. Upon information and belief, approximately twelve (12) pilots employed by ONA, as represented by ALPA, are currently assigned to the DC-10 equipment at Los Angeles and approximately thirteen (13) such pilots are currently assigned to the DC-10 equipment at New York. Approximately sixty-six (66) such pilots are currenlv assigned to the DC-8 equipment at New York.

4. Upon information and belief, pilots employed by ONA, as represented by ALPA, reside and maintain their homes at locations throughout the United States irrespective of their assignment to the respective ONA domiciles. Approximately forty-nine (49) of the seventy-nine (79) pilots assigned to the DC-8 and DC-10 equipment at New York reside and maintain their homes more than one hundred fifty (150) miles from New York City. Approximately seven (7) of the twelve (12) pilots assigned to the DC-10 equipment at Los Angeles reside and maintain their homes more than one hundred fifty (150) miles from Los Angeles.

5. All pilots employed by ONA, as represented by ALPA, bid for and receive on a monthly basis either a "Scheduled Line" of flying or "Scheduled Reserve Line" (hereinafter "Reserve Line") of flying. A "Scheduled Line" of flying consists of a block of scheduled trips and days off duty in the applicable month. A "Reserve Line" of flying consists of a line showing days on duty in the month, without scheduled trips. Scheduled Lines and Reserve Lines are awarded on the basis of pilot seniority within pilot rank groups (i.e., Captain and First Officer) as assigned to types of aircraft equipment. Upon information and belief, of the approximately one hundred forty-nine (149) pilots active employed by defendant, as represented by ALPA, approximately eleven percent (11%), or sixteen (16) pilots, (hereinafter "Reserve Pilots") hold Reserve Lines of flying in any one month. The specific pilots holding Reserve Lines comprise a group that changes from month to month, depending upon the quality of Scheduled Lines available for monthly bid. Reserve Lines are frequently held by senior pilots when Scheduled Lines present less attractive scheduling alternatives.

6. The Agreement provides, in Section 31(L) thereof, that all pilots, including Reserve Pilots, are entitled to at least twenty-four (24) hours' notification prior to reporting time for any duty. A copy of Section 31(L) of the Agreement is annexed hereto as Exhibit A. The language of Section 31(L) has existed unchanged in successive agreements between ONA and ALPA for many years. In practice that provision has operated to enable ONA pilots to maintain their homes at great distances from their respective pilot

domiciles, all as described above. Upon information and belief, many ONA pilots have established their homes and arranged their personal affairs on the basis of the existing 24-hour rule in successive pilot collective bargaining agreements.

7. On or about November 25, 1974, in accordance with the Agreement and Section 6 of the Act, 45 U.S.C. §156, ALPA gave notice to ONA of its desire to make certain changes in the Agreement, which was amendable as above stated on March 1, 1975. ALPA made no proposal to change Section 31(L). In such notice ALPA further advised ONA that all sections of the Agreement were considered open for purposes of discussion and change. A copy of ALPA's opening letter is annexed hereto as Exhibit B. On or about December 2, 1974, ONA agreed to commence negotiations for a new collective bargaining agreement. A copy of ONA's letter is annexed hereto as Exhibit C.

8. Collective bargaining negotiations between ALPA and ONA toward a new agreement for ONA pilots commenced on or about January 4, 1975. As chairman of the Negotiating Committee, I have been present at all negotiating sessions. On or about January 20, 1975 ONA representatives informed ALPA pilot representatives in negotiations that ONA wished to delete Section 31(L) of the Agreement. ALPA representatives responded that the company's proposal was unacceptable and the matter was left on the table. Subsequent negotiating sessions were held in January, March and April, 1975.

9. On or about April 15, 1975, ONA representatives proposed to ALPA pilot representatives in negotiations that Section 31(L) be amended to provide that the minimum notification period for Reserve Pilots be reduced to less than twenty-four (24) hours, with consideration to be given to assuring adequate rest for Reserve Pilots. Company representatives advised us that the purpose of such proposal was to require Reserve Pilots to station themselves in the area of their respective domiciles on reserve duty days. Pilot representatives advised the company that such provision would require pilots to stay at hotels, establish local apartments, or move their homes in order to meet a reduced notification period. The company responded that this was a hardship that the pilots would have to endure. We advised the company that its proposal for amending Section 31(L) was not acceptable.

10. On or about April 17, 1975, negotiators for ALPA and ONA drew up a summary of all open and unresolved issues in the pilot negotiations. Section 31(L) was identified therein as an open issue with the company holding fast to its proposed amendment as described above. A copy of the relevant portion of the summary of open issues, initiated by the parties is annexed hereto as Exhibit D.

11. On or about April 18, 1975 it was agreed by both ALPA and ONA that an impasse existed in collective bargaining negotiations, based on the summary of open issues described above, and a joint application for the services of the National Mediation Board was thereupon filed pursuant to Section 5 of the Railway Labor Act.

12. On May 13, 1975 the National Mediation Board docketed the ONA-ALPA dispute over a new collective bargaining agreement, and assigned to the dispute Case No. A-9750. To date no mediator has been assigned to the case. No further direct negotiations have been held to date.

13. On or about May 14, 1975, ONA, without prior notice to ALPA or its pilots, and without further conferring with ALPA as the statutory collective bargaining representatives of ONA pilots, issued notices to all DC-8 and DC-10 pilots employed by ONA announcing that "[e]ffective 1 June 1975 all line holders will be required to be within three (3) hours driving time of their equipment domicile during their days of reserve duty." Such unilateral notices further stated that "[t]he bid lines will reflect the duty days on the reserve lines and these are the days that the reserve line holder will be available per schedule as stipulated above." A copy of the company's notice is annexed hereto as Exhibit E.

14. Upon information and belief, ALPA, upon receiving notice of the aforesaid unilateral course of conduct by ONA, promptly advised ONA that its program and notice, as aforesaid, abrogates the Agreement and the rights of ONA pilots as represented by ALPA. ALPA further requested that ONA immediately rescind its notices, as aforesaid, for unilateral change in pilot terms and conditions of employment. ALPA received no response to its communication to ONA. A copy of ALPA's communication to ONA is annexed hereto as Exhibit F.

15. Upon information and belief, on or about May 22, 1975, ALPA advised ONA that its program and notices, as aforesaid, constituted a unilateral change in existing conditions of employment for the pilots in direct violation of mandatory requirements of the Act, and that ONA was attempting to make such unilateral changes while engaged in negotiations and mediation under the Act. A copy of ALPA's notice to ONA is annexed hereto as Exhibit G.

16. ONA has refused to maintain the status quo regarding the minimum notification period for Reserve Pilots, or observe the status quo requirements of the Railway Labor Act, pending completion of negotiations and mediation under the Act, by withdrawing its prior notices to DC-8 and DC-10 pilots for unilateral change in the notification period and requirement that Reserve Pilots station themselves at their respective pilot domiciles on reserve duty days.

17. Upon information and belief, ONA, despite its obligations under the Act, has advised ALPA representatives that it has no obligation to give written notice of intended change in accordance with Section 6 of the Act. ONA has further advised ALPA representatives that it has no obligations to bargain collectively with ALPA or to await the expiration of the 30 day cooling-off period under Section 6 of the Act as to announced unilateral change in notification procedures for Reserve Pilots, prior to implementing such change.

18. ONA's program for reducing the twenty-four (24) hour pilot notification period for DC-8 and DC-10 Reserve Pilots and effort to require those Reserve Pilots to station themselves within three (3) hours' driving distance of their respective domiciles constitutes an effort to place into effect, in the midst of negotiations and mediation under the Railway Labor Act, the very terms and conditions of employment that the company sought without any success to obtain in negotiations. There the company directly sought to reduce the minimum notification period for Reserve Pilots with the avowed intent of forcing Reserve Pilots to be within short driving distance of their respective domiciles on reserve duty days. The company's notices for unilateral action embody a direct requirement that DC-8 and DC-10 Reserve Pilots station themselves in their domicile areas on reserve duty days with the intent of reducing the notification period prior to duty assignment. The company's effort comprises a flagrant attempt to engage in self-help and alter the terms of the Agreement prior to exhaustion of the mandatory procedures for negotiation and mediation under the Railway Labor Act. The company has already agreed with ALPA that Section 31(L) is an open item in mediation. Furthermore, mediation was docketed only days prior to the company's notice. It is difficult to imagine a more flagrant abuse of the rights of ALPA and the ONA pilots under the Railway Labor Act.

19. ONA's unilateral notices to the DC-8 and DC-10 pilots have caused and will continue to cause substantial, immediate, and irreparable injury to the DC-8 and DC-10 pilots and

the entire pilot group. The adverse personal impact and injury upon pilots may be summarized as follows:

a. ONA pilots have over the years established and maintained their homes at points throughout the country, irrespective of assigned domicile on the basis of the historic twenty-four (24) hour notification rule. It is my recollection that the 24 hour rule has been in effect for over 20 years. That rule has enabled pilots to reach in timely fashion any point of origin for their flights regardless of the location of their homes. The company has explicitly recognized the right of ALPA pilots to live anywhere in the world irrespective of their ONA domiciles. For example, in a post-hearing brief filed with the ONA Pilots' System Board of Adjustment on April 4, 1975 - only weeks before the company's unilateral notices on pilot notification procedures - Mr. Robert Wagenfeld, ONA Vice President for Legal Affairs stated,

> "There is no dispute in either of these cases as to the fact that the 1973 Agreement permits pilots to actually reside with their families or make their homes in any location they desire. They can in fact live in Hawaii or even Asia (Tr. 118), regardless of their 'domicile', that is, the operating base out of which they are assigned to the Company's operations by seniority and bid selection. (See Section 2.G. of the 1973 Agreement set forth above). A distinction must clearly be made in both of these cases between Mr. O'Connor's residence at West Islip, New York and his 'domicile', pursuant to Section 2.G. of the 1973 Agreement, of Alameda, California."

A copy of the relevant portion of Mr. Wagenfeld's brief is annexed hereto as Exhibit H, p. 2.

Reserve Pilots affected by ONA's notice will be forced to disrupt their homes, including family and business arrangement, in order to maintain alternative residences within the ONA domicile area.

b. DC-10 and DC-8 Reserve Pilots who do not currently reside in their domicile areas will be required to rent hotel rooms or apartments in those areas with immediate disastrous cash flow impact. The expense of maintaining two homes will be prohibitive for most pilots. The net result will be to force ONA pilots to move their homes to the ONA domicile area, despite their admitted right to reside elsewhere. This is plainly the result that the company foresees and desires.

c. Reserve Pilots will be required to remain in the domicile area on duty days whether or not flight assignments become available. They will be subjected to frequent periods of enforced idleness away from their homes and families.

d. The right of all ONA pilots to 24 hours' notification prior to flight duty will be immediately destroyed for DC-8 and DC-10 Reserve Pilots. The company may be expected to seek the same result for other pilots if its present effort succeeds.

e. The company's unilateral notices immediately and irreparably injure the right of every ONA pilot, as represented by ALPA, to the maintenance of established agreements and working conditions, without unilateral alteration by the company prior to exhaustion of the mandatory dispute resolution procedures embodied in the Railway Labor Act.

20. ALPA has made every reasonable effort to secure voluntary withdrawal of ONA's unlawful program for reducing the minimum notification period for Reserve Pilots and it is now clearly evident that immediate injunctive relief by this Court is necessary to restore the status quo, maintain the collective bargaining structure required by the Railway Labor Act, and prevent the complete breakdown of the ONA-ALPA collective bargaining relationship. Reasons for immediate injunctive relief thus also include the following:

(a) ONA, at this very time, is about to place into effect its requirement reducing the minimum notification period for Reserve Pilots, while rejecting the necessity for further negotiations and mediation on this dispute under the Act. Approximately 49 DC-10 and DC-8 pilots in the New York domicile and 7 DC-10 pilots in the Los Angeles domicile are potentially affected by the company's effort, inasmuch as they reside more than one hundred fifty miles from their respective domiciles. Although the number of Reserve Pilots in any one month is a smaller figure, any of the pilots might draw a Reserve Line in succeeding months.

(b) ONA has caused irreparable injury to the public policy of collective bargaining embodied in the Railway Labor Act. Unless ONA is enjoined immediately from carrying out its program for reducing the minimum Reserve Pilot notification period, negotiations that take place after ONA has instituted its action will be meaningless.

(c) ONA's plan of action as described above, is an attempt to unilaterally effectuate changes in fundamental terms of employment and working conditions for all members of the pilot group. What is at stake here is the right of the pilots

to meaningful representation in collective bargaining negotiations over their actual working conditions. The need for immediate injunctive relief and an immediate hearing is crucial in light of the fact that OMA is about to place its program into effect.

21. No previous request has been made for the relief sought herein.

Theodore A. Secola

Sworn to before me this
29th day of May, 1975.

MILDRED R. NEGRI
Notary Public, State of New York
No. 31-[illegible]
Qualified in New York County
Commission Expires March 30, 19[illegible]

pre-existing of any disciplinary action which may be levied against a pilot. No materials (except mandatory inclusions prescribed by Government regulation or by law) shall be incorporated into the Operations Manual such materials are in any way inconsistent with anything contained in this Agreement.

L. A pilot shall have a minimum of twenty-four (24) hours notification prior to reporting time for any duty and a minimum of seventy-two (72) hours if the notification is for a temporary assignment.

M. A pilot who is alerted, called out, and reports for flight duty (exclusive of training), shall be granted a minimum of one (1) hour's pay and flight time credit.

N. In the event the Company elects to schedule aircraft into or through war zones, combat zones, or zones considered hazardous by the United States Department of State, or in the event the Company elects to fly material considered hazardous, the Company shall request pilot volunteers. In the event that the pilot otherwise entitled to fly elects not to volunteer, the Company may schedule pilots from other volunteers, and the provisions of Section 16 A shall not apply. The provisions of this Paragraph shall not apply to trips, charters or contracts flown or to be flown for, or under the auspices of, the United States Government or any department or agency thereof.

"Exhibit A"

AIR LINE PILOTS ASSOCIATION

[illegible]

November 25, 1974

Mr. J. W. Bailey
President and Chief Operating Officer
Overseas National Airways, Inc.
John F. Kennedy International Airport
147-32 175th Street
Jamaica, New York 11430

Dear Mr. Bailey:

In accordance with Section 35 Duration, of the Pilots' Employment Agreement between Overseas National Airways, Inc. and its pilots as represented by the Air Line Pilots Association, International, your pilots desire to make certain changes in the said Pilots' Employment Agreement pursuant to the provisions of Section 6, Title I of the Railway Labor Act, as amended.

The major changes which the pilots are proposing at this time are contained in the attached proposed Opener. In addition this letter shall serve to open all other Sections of the Basic Agreement and all Letters of Agreement, Letters of Understanding, Supplemental Agreements and Letters, for discussion and/or change.

We suggest that negotiations commence at the Company's general offices in Jamaica, New York, as soon as possible and suggest 10:00 a.m., Monday, December 16, 1974 for the initial conference. If this date is not convenient to you, would you please suggest a more satisfactory time pursuant to the provisions of Section 6, Title I of the Railway Labor Act, as amended, when conferences can be held.

Sincerely,

J. J. O'Donnell, President

JJO'D:bp

Enclosure

cc: MEC Chairman
Negotiating Committee
Contract Administrator

"Exhibit B"

[illegible]

NATIONAL AIRWAYS

RECEIVED
MAY 23 1975
N.Y. BRANCH OFFICE

RECEIVED
PRESIDENT'S DEPT.

December 2, 1974

Mr. J.J. O'Donnell
President
Air Line Pilots Association
1625 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Dear Mr. O'Donnell:

Your letter dated November 25, 1974 containing the proposed changes to our pilot agreement arrived today.

Your suggestion to commence negotiations on December 16, 1974 is acceptable to the Company, however, we have not yet been informed who the Negotiating Committee will be and therefore we are unable to determine their availability.

I would appreciate your advising ONA of the members of the Negotiating Committee at the earliest possible date so that we can commence these negotiations without further delay.

Sincerely,

cc: Mr. Antonio J. Starkloff
Robert L. Wagenfeld, Esq.
Captain Milton F. Marshall

"Exhibit C"

SECTION 31

K. Operational bulletins which have been in existence for a period of six (6) months or more not incorporated into the Operations Manual shall not be used nor referred to during the processing of any disciplinary action which may be levied against a pilot. No materials (except mandatory inclusions prescribed by Government regulation or law) shall be incorporated into the Operations Manual if such materials are in any way in conflict with or do not preserve the intent of anything contained in this Agreement. In addition, the Company will maintain a Reading file of pertinent current operational bulletins at each Domicile.

L. Open

M. T/A

N. T/A

O. T/A

P. T/A

Q. A retired pilot, his spouse and qualified dependent children shall be granted pass privileges on Company aircraft to the same extent as active line pilots and shall be granted passes or reduced fare privileges on other air carriers to the extent permitted by such other carriers and current governmental regulations.

R. T/A

S. Open

T. Adequate sanitary facilities shall be made available on all Overseas National Airways aircraft to the extent possible.

OVERSEAS NATIONAL AIRWAYS

14 May 1975

Pilot Bulletin #35-75

TO: All DC-8 and DC-10 Pilots

FROM: Vice President - Operations

SUBJECT: Reserve Duty and Reserve Bid Lines

Effective 1 June 1975 all line holders will be required to be within three (3) hours driving time of their equipment domicile during their days of reserve duty.

The bid lines will reflect the duty days on the reserve lines and these are the days that the reserve line holder will be available for schedule as stipulated above.

It will be the pilots responsibility to inform crew scheduling of his local contact if he does not reside permanently in the area of his equipment domicile and is in the area only during his reserve duty days.

This policy has become necessary due to the increased number of aircraft and crews, the number of pilots who have elected not to live at their equipment domicile, and particularly with the DC-8's the increased number of flights which are departing from the equipment domicile. We must have better access to our reserves in order to meet the changing schedules and short notice requirements.

"Exhibit E"

M. E. Starkloff

ALPHANY NYK

5/15/75 3:23 EST

TO: M E STARKLOFF, V P OPERATIONS, ONA/JFK

FROM: CAPTAIN M F MARSHALL, CHMM, ONA-NEC

RE: PILOT BULLETIN #35-75

I AM IN RECEIPT OF PILOT BULLETIN #35-75 DATED 14 MAY 1975. IT IS THE OPINION OF THE ONA- NEC THAT THIS PILOT BULLETIN CLEARLY ABROGATES THE RIGHTS OF THE PILOTS OF ONA AS SET FORTH IN THE PILOTS WORKING AGREEMENT, SPECIFICALLY , BUT NOT LIMITED TO, SECTION 5.G AND SECTION 31.L. THIS UNILATERAL CHANGE BY THE COMPANY IN THE PILOTS' WORKING CONDITIONS WILL NOT BE TOLERATED BY THE ONA PILOTS.

I REGRETFULLY REQUEST THAT YOU IMMEDIATELY RESCIND PILOT BULLETIN #35-75. IN THE EVENT YOU DO NOT RESCIND THIS PILOT BULLETIN, THE PILOTS OF ONA WILL BE FORCED TO TAKE IMMEDIATE ACTION TO HALT YOUR ABROGATION OF THEIR CONTRACTUAL RIGHTS. THIS ACTION WILL CONSIST OF AT LEAST SEEKING IMMEDIATE INJUNCTIVE RELIEF RATHER THAN SEEKING RELIEF UNDER SECTIONS 22 AND 23 OF THE AGREEMENT.

I WOULD SUGGEST THAT THE SERIOUSNESS OF THIS MATTER WARRANTS AN IMMEDIATE MEETING OF THE PARTIES, REGARDLESS OF WHAT ACTION YOU TAKE IN RESPONSE TO THEIR TELEX. I AM AVAILABLE AT MY HOME TODAY FOR A TELEPHONE CALL FROM YOU TO DISCUSS THIS MATTER.

FURTHERMORE, I HAVE NOTIFIED THE ALPA LEGAL DEPARTMENT OF THIS PILOT BULLETIN AND OF THE ONA-NEC POSITION. UNLESS WE ARE ABLE TO EXPEDITIOUSLY RESOLVE THIS MATTER, THE LEGAL DEPARTMENT WILL IMMEDIATELY PROCEED TO ENFORCE THE RIGHTS OF THE ONA PILOTS UNDER THEIR WORKING AGREEMENT.

CC: ONA-NEC

ONA NEGOTIATING COMM

R E HOGARTH, ESQ.

ONA NYK

"Exhibit F"

ALPHANY NYK

"

ALLIED PILOTS ASSOCIATION
TRANSPACIFIC LINES AGREEMENT WASHINGTON STATE BOARD (206) 767-4000

May 22, 1975

Mr. Malcolm E. Starkloff
Vice President Operations
Overseas National Airways, Inc.
John F. Kennedy Int'l Airport
147-39 175th St.
Jamaica, New York 11430

RECEIVED
MAY 27 1975
N. Y. BRANCH OFFICE

Dear Mr. Starkloff:

The Association has previously advised you that Company action embodied in Pilot Bulletin 35-75 dated May 14, 1975 constitutes an unilateral change in existing conditions of employment for the pilots in direct violation of mandatory requirements of the Railway Labor Act prohibiting such action.

You are also aware that the Company is attempting to make this unilateral change while engaged in negotiations and mediations under the Act. The Company has not responded to prior Association requests that this Bulletin be withdrawn and the status quo maintained.

Your immediate response to the affect is again requested. You are advised that the Association will take all necessary legal actions under the Railway Labor Act to protect its rights and the rights of the pilots if this is not done promptly.

Your immediate response is requested.

Sincerely,

J. J. O'Donnell, President

JJO'D:jn

cc: M. Marshall
Negotiating Committee
R. Hockman
B. Coogan
H. Weiss
R. Savelson

"Exhibit G"

[illegible]

[illegible]

SECRETARY: PLS DELIVER NOW TO H POSTMAN ASAP.

ALPA WDC A

5-22-75 5:15PMEST

ATT MALCOLM E STAHLOFF

VICE/PRES OPERATIONS

THE ASSOCIATION HAS PREVIOUSLY ADVISED YOU THAT COMPANY ACTION EMBODIED IN PILOT BULLETIN 35-75 DATED MAY 14, 1975 CONSTITUTES AN UNILATERAL CHANGE IN EXISTING CONDITIONS OF EMPLOYMENT FOR THE PILOTS IN DIRECT VIOLATION OF MANDATORY REQUIREMENTS THE RAILWAY LABOR ACT PROHIBITING SUCH ACTION.

YOU ARE ALSO AWARE THAT THE COMPANY IS ATTEMPTING TO MAKE THIS UNILATERAL CHANGE WHILE ENGAGED IN NEGOTIATIONS AND MEDIATIONS UNDER THIS ACT. THE COMPANY HAS NOT RESPONDED TO PRIOR ASSOCIATION REQUESTS THAT THIS BULLETIN BE WITHDRAWN AND THE STATUS QUO MAINTAINED.

YOU IMMEDIATE RESPONSE TO THE AFFECT IS AGAIN REQUESTED. YOU ARE ADVISED THAT THE ASSOCIATION WILL TAKE ALL NECESSARY LEGAL ACTIONS UNDER THE RAILWAY LABOR ACT TO PROTECT ITS RIGHTS AND THE RIGHTS OF THE PILOTS IF THIS IS NOT DONE PROMPTLY.

YOU IMMEDIATE RESPONSE IS REQUESTED.

J. J. O'DONNELL, PRESIDENT

AIR LINE PILOTS ASSOCIATION

CC: M. MARSHALL

NEGOTIATING COMMITTEE

B. HOGGINS

B. COGAN

H. WEISS

R. SAMELSON

[illegible]

"Exhibit G"

In the Matter of the Arbitration	ALPA Case No. NY-68-74 ALPA Case No. NY-75-74
between	
OVERSEAS NATIONAL AIRWAYS, INC.	Before the ONA Pilots System Board of Adjustment
and	
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL	Eric J. Schmertz, Neutral Referee, Chairman
on behalf of	
DENNIS A. O'CONNOR	Captain Frank Foster, Captain Gerald Smallwood, Mr. Richard Elten, and Mr. James Correa, Members

POST-HEARING BRIEF
OF
OVERSEAS NATIONAL AIRWAYS, INC.

Robert E. Greenfield
Of Counsel

"Exhibit H, page 1"

which were not assigned by the company." (Tr. 126).

The fundamental working principle is that the Company is only liable for FPCH to the pilot pursuant to Section 6. if the travel is actually performed as assigned. (Tr. 126). According to Mr. Ferriss' testimony the word "assigned" in the first line of Section 6.A. means assignment to deadhead and is "specified travel to be performed at company direction between specific points and at a specific time", and it does not make any difference if the individual pilot saves the Company money by whatever travel means he desires to take. (Tr. 129).

There is no dispute in either of these cases as to the fact that the 1973 Agreement permits pilots to actually reside with their families or make their homes in any location they desire. They can in fact live in Hawaii or even Asia (Tr. 118), regardless of their "domicile", that is, the operating base out of which they are assigned to the Company's operations by seniority and bid selection. (See Section 2.G. of the 1973 Agreement set forth above). A distinction must clearly be made in both of these cases between Mr. O'Connor's residence at West Islip, New York and his "domicile", pursuant to Section 2.G. of the 1973 Agreement, of Alameda, California. On January 1, 1973, Mr. O'Connor, by the sole exercise of his seniority and bid preference, transferred his domicile across the country from Macon, Georgia to Alameda, California. Yet he preferred to maintain his residence in Islip, New York, even though the Company was obligated to pay his and his family's moving expenses.

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

- x

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL,

Plaintiff,

-against-

OVERSEAS NATIONAL AIRWAYS, INC.,

Defendant.

75 Civ. 836 (MAC)

AFFIDAVIT

- x

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

Milton Marshall, being duly sworn deposes and says:

1. I am an air line pilot employed by Overseas National Airways, Inc. ("ONA" or the "company"), defendant in the above-captioned action. I hold the rank of Captain. I am a member of plaintiff Air Line Pilots Association, International ("ALPA"). I am Chairman of the ALPA Master Executive Council for the ONA pilots. I held that position in 1968-1973 and from November 1974 to the present. I make this affidavit in support of ALPA's application for immediate injunctive relief in the above-captioned litigation.

2. I have read the affidavit of Theodore A. Secola, sworn to May 29, 1975 and submitted in this action. Mr. Secola's affidavit is true and correct to the best of my knowledge and belief.

3. On or about May 15, 1975, I received ONA's pilot bulletin relating to reduced notification periods for DC-8 and DC-10 Reserve Pilots (Exhibit E to Captain Secola's affidavit). The next day, May 16, 1975, I sent a telex to Mr. Malcolm E. Starkloff, ONA Vice-President of Operations, requesting that the pilot bulletin be rescinded and suggesting a meeting to discuss the problem. (Exhibit F to Captain Secola's affidavit). At 5:15 p.m. on May 16, Mr. Starkloff called me at my home. I explained that the company's action abrogates pilot rights and violates the Railway Labor Act dispute resolution procedures. Mr. Starkloff suggested a meeting between the parties on the following Tuesday, May 20. I agreed to the meeting.

4. On Monday, May 19 I called Mr. Starkloff at his office. I informed him that the meeting scheduled for Tuesday, May 20, would have to be cancelled. I advised him that it was our view that no useful purpose would be served by a meeting, inasmuch as the ONA pilots had not formulated a proposal for resolving the dispute. I again requested that the company's pilot bulletin be rescinded. Mr. Starkloff responded that this would not be done. I advised Mr. Starkloff that we are willing to meet with the company any time they wanted to meet in direct negotiations. I added that our pilot agreement is currently in mediation, that the present dispute is one of the major items to be negotiated and therefore it would not be advisable to discuss the subject in a private meeting, by which I meant a meeting outside the ordinary channels of negotiations. I added that a

mediator would consider a private meeting at this point somewhat irregular and possibly inconsistent with fair labor practices. I advised Mr. Starkloff that this position was taken after considerable thought.

Milton F. Marshall

Sworn to before me
this 29th day of May 1975

MILDRED R. NEELY
Notary Public, State of New York
No. 31-4615750
Qualified in Queens County
Commission Expires March 30, 19[illegible]

UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF NEW YORK

- - - - - - - - - - - - - - - - - - -x

AIRLINES PILOTS ASSOCIATION, :

Plaintiff, :

v. : 75 C 836 (MAC)
AFFIDAVIT IN OPPOSITION TO INJUNCTIVE RELIEF

OVERSEAS NATIONAL AIRWAYS, INC., :

Defendant. :

- - - - - - - - - - - - - - - - - - -x

STATE OF NEW YORK)
: ss.:
COUNTY OF QUEENS)

LESTER R. FERRISS, JR., being duly sworn, deposes and says:

1. I am Assistant Vice President - Operations of defendant Overseas National Airways, Inc. ("ONA"), a position I have held since September 1, 1970. I make this Affidavit in opposition to the Temporary Restraining Order entered May 29, 1975 and plaintiff ALPA's application for further injunctive relief. I am fully familiar with the facts and circumstances set out herein and would be competent to testify to them at trial.

2. As Assistant Vice President - Operations of ONA my duties and responsibilities include the formulation and implementation of company policies relating to flight operations, including the policies pertaining to flight crew scheduling.

3. For all the time I have been with ONA, and for years prior to that time, it has been the consistent policy of ONA to designate the place at which pilots holding reserve lines, which are bid and assigned on a monthly basis, would perform their days of reserve duty. Pilots holding reserve lines spend

on the average 17-18 days per month on reserve duty during which days they are required to be available to fly trips as the need arises, frequently on short or immediate notice. Pilots are informed of these on duty days in the last week of the prescribing month when the bid lines are awarded.

4. Throughout the entire period that I have been with ONA, ONA has designated either that the pilots holding reserve lines could serve their reserve days at their homes, or, as the needs of the Company dictated, at their equipment domicile (i.e., their permanent base of assignment), or at such other location where ONA had an expectation to need a reserve pilot. This policy has been in effect at ONA without interruption since at least 1970 when I joined the Company.

5. Section 31 L. of the Collective Bargaining Agreement between ONA and ALPA covering ONA's pilots, which provides that 24 hours notice will be given to a pilot before he is required to report for duty, is entirely separate and apart from the policy relating to availability of pilots who are already on duty on any given day. There has never been any question either in interpretation or in operation, that the 24 hour requirement of Section 31 L. was met when the pilots received their bid-lines designating their on-duty days for the coming month 24 hours before the new month was to start.

6. It has always been the rule at ONA that once a pilot had 24 hours notice of the days he was to be on duty in the comming month, (reserve or otherwise), he was required to be available to perform his duties on those days at the place designated by the Company. No additional 24 hours notice was necessary. Indeed, if an additional 24 hours notice were to be required by this Court the entire purpose of the reserve would be nullified, as its function is to have crews available

immediately or on extremely short notice to fly trips where there is an unexpected illness or an unexpected change in flight schedules.

7. I believe some further explanation of "bid-lines" would be useful to the Court. ONA's pilots bid for their next month's duties at approximately the middle of each month by selecting bid-lines from bid sheets prepared by ONA. These lines specify particular days in the coming month when the pilot will be on duty. When the bids are in, the bid-lines, w ich are duty schedules for the coming month, are awarded by seniority in accordance with the bid preferences expressed by the pilots. Each pilot is notified generally four to five days prior to the end of the month what bid-line he received, and thus what days he will be on duty in the coming month. As I stated earlier, this bid-line notification has always been understood to be, and in practice always has constituted, compliance with the 24-hour notification rule of Section 31 L. for all the duty days specified on each bid-line for the coming month. Pilots appear when and where designated on their bid-lines. No further notice is, or ever has been given or required.

8. There are basically two kinds of pilot bid-lines which have relevance in this case. One is a bid-line showing known trips to be flown on specified days of the coming month. The other is a reserve line which specifies the particular days of the month upon which the pilot holding that line is "on duty" and available to fly trips on short or immediate notice as the needs of ONA may require.

9. At all times since I have been with the Company, it has been a term and condition of the employment of ONA's pilots that once a pilot was <u>on duty</u> as a reserve pilot in

accordance with his bid-line, ONA had the right to require him to be available to fly a trip on immediate notice if the Company's needs required. There has never been a single grievance filed by ALPA or any of its members with respect to the operation or effect of this policy.

10. However, on October 4, 1973, following the execution of the Collective Bargaining Agreement now in effect, ALPA sent a letter to me in which it attempted to interpret the 24-hour provision of Section 31 L. differently than it had been interpreted up to that time. In that letter ALPA claimed that Section 31 L. meant that "any pilot, including all reserves, requires 24-hour notification for every trip assignment per Section 31-L of the Agreement . . .". A copy of that letter is annexed hereto as Exhibit A. (See, p.2 ¶ (3)). This is exactly the interpretation of Section 31 L., which has never been in effect, which ALPA is attempting to have the court enforce in this case.

11. However, since it was contrary to the established meaning of Section 31 L., ALPA's "interpretation" was rejected by ONA and ONA continued to interpret and apply Section 31 L. as I have stated above. This is clear from ONA's response to ALPA's letter, which was contained in a letter dated October 8, 1973, addressed to Mr. Veronelli, the Chairman of the ALPA pilots' unit at ONA, Mr. Malcolm E. Starkloff, Vice President - Operations responded to the ALPA letter. In that letter, Mr. Starkloff stated:

> "Section 5 H 7 applies. A pilot bids for reserve duty, and the Company will indicate on the reserve line where the reserve duty will be performed: At the domicile or at any other designated place where the Company may have an expectation to need the pilot. Twenty-four hours notice will be given before duty (Section 31 L), but once on duty twenty-four hours notice is not required before a trip or flight." (¶ 3, p.1, emphasis added)

A copy of Mr. Starkloff's letter is annexed hereto as Exhibit B.

12. As noted earlier, the aforesaid policies as expressed in Mr. Starkloff's letter were in effect at that time, and have continued to be in effect to the present.

13. This 1973 exchange conclusively establishes that ALPA's complaint in this case creates at best a dispute as to the meaning of Section 31 L. of the Collective Bargaining Agreement to be resolved by the grievance procedure set out in the Collective Bargaining Agreement.

14. However, neither ALPA nor any of its members has ever filed a grievance with the ONA System Board of Adjustment with respect to ONA's interpretation and application of Section 31 L., and no such grievance is now pending.

15. Pilot Bulletin # 35-75, dated May 14, 1975, which ALPA seeks to enjoin in this case, is merely a continuation of ONA's long standing and consistently applied policy and practice to, as stated in Mr. Starkloff's letter of October 8, 1973 "indicate . . . where the reserve duty will be performed." In no way does it represent either the exercise of any new authority by ONA, or a change in the terms and conditions of employment of ONA's pilots, who agreed, in Section 31 L. of the Collective Bargaining Agreement, to abide by all ONA's policies:

> "All pilots are subject to all Company policies now or hereinafter in effect except as they may be inconsistent with anything contained herein."

16. Mr. Starkloff's letter of October 8, 1973 conclusively establishes that it was ONA's policy under this Agreement to designate "where the reserve duty will be performed: At the domicile or at any other designated place," including within three hours driving time of the domicile.

17. In sum, it has always been the policy of ONA to designate the place "where the reserve duty will be performed." The designation contained in Pilot Bulletin # 35-75 is merely a continuation of that long standing policy, and in no way affects the 24-hour rule of Section 31-L.

18. I have reviewed the Affidavit of Theodore A. Secola, sworn to May 29, 1975 and submitted on behalf of plaintiff in this action. As Mr. Secola states, Section 31 L. of the Collective Bargaining Agreement "has existed unchanged in successive agreements between ONA and ALPA for many years." (¶ 6) In this, Mr. Secola is correct.

19. However, Mr. Secola is completely incorrect when he states that Pilot Bulletin # 35-75 constitutes a "program for reducing twenty-four (24) hour pilot notification period . . . and [an] effort to require those reserve pilots to station themselves within three (3) hours driving distance constitutes . . . a flagrant attempt to . . . alter the terms of [Section 31 L. of] the agreement . . ." (¶18)

20. As is already clear from the materials cited above, the distinction between the notice ONA is required to give a pilot of the days in the month he will be on reserve duty and, the notice it is required to give him when instructing him to fly a trip when he is actually on duty has been consistently maintained as an ONA policy for several years, and the 24-hour provision applicable to notice of days on duty has never applied to the assignment of a pilot already on duty to fly a trip.

21. Additional evidence of the distinction between these two provisions is that from 1969 through the fall of 1974, approximately one-third of ONA's pilots were required by ONA to perform their reserve duty at a place within <u>two</u> hours driving time of their equipment domicile on their reserve duty days. These were pilots, subject to the same Collective Bargaining

Agreement, who had been flying ONA's Electra aircraft when they were part of ONA's fleet (ONA disposed of its Electra's in the Fall of 1974). A two-hour driving limit was imposed because few of these pilots actually lived in close proximity to their equipment domicile, and ONA found it increasingly difficult to otherwise assure that pilots on reserve duty were actually available to perform flights.

22. Not once in the years the two-hour rule was in effect, which was obviously stricter than the three-hour rule instituted by Pilot Bulletin # 35-75, did ALPA contend it violated the 24-hour provision of Section 31 L.

23. Accordingly, ALPA's attempt in this action to equate the 24-hour notice rule for pilots who are not on duty, with the totally separate condition of employment relating to instructions to an on-duty reserve pilot to actually fly a trip, is an obvious attempt to enlist the injunctive powers of this Court to effect a change in the understood terms and conditions of employment which have existed for many years.

Lester R. Ferriss, Jr.

Lester R. Ferriss, Jr.

Sworn and subscribed to before
me this 2nd day of June, 1975

Margaret M. Bradley
Notary Public

MARGARET M. BRADLEY
Notary Public, State of New York
No. 03-9415725
Qualified in Nassau County
Certificate Filed in Queens County
Commission Expires March 30, 1976

AIR LINE PILOTS ASSOCIATION ◻ NEW YORK FIELD OFFICE
SUITE 508, EXPRESSWAY BLDG., 91-31 QUEENS BLVD. ◻ ELMHURST, N.Y. 11373 ◻ (212) 672-5300

4 Beachside Drive
New Milford, Connecticut 06776
October 4, 1973

Mr. L. R. Ferriss, Jr.
Assistant Vice President - Operations
Overseas National Airways, Inc.
J. F. Kennedy International Airport
Jamaica, New York 11430

Dear Les:

With reference to the meeting in your office with yourself, Dick Elten and Bob Waring which we held in August for discussion of the general concepts and guidelines for modification of Local Scheduling Rules, I would like to set forth the following as our current thinking on behalf of the Central Scheduling Committee and the MEC. (All references are to the unimplemented DC-9 Scheduling Rules of 12 February 1973.)

(1) The suggestion that monthly bid sheets for all bases and equipment provide for each pilot to indicate if he is interested in open flying assignments and on which days, is heartily endorsed.

(2) (Reference Section B-2-D). We are unable to go along with your request to delete this chart. We know that some part of the costly over/under utilization problem described by Mr. Starkloff at our meeting is caused by inefficient lines of flying. If the minimum bid line is 60 hours, and it requires 19 days of work to attain this 3.15 hours daily utilization, you are never going to have that pilot available for any additional open flying. A more senior pilot (lineholder) is denied any opportunity for overtime earnings, the more junior pilot (reserve) is overworked costing you a possible payment under Section 5-E-2, and him a possible fine by the MEC, and Mr. Starkloff will cry even more loudly about his costly off balance utilization - and rightly so. It is felt that this Section could be reworded to indicate that the chart is an aim point and that 80% attainment is all that is expected on each monthly base bid. The chart should also be expanded to require 16 days of rest for a 60 hour line. In any event, we want to retain and follow that chart. Poor utilization is unacceptable to the pilot group, and we cannot understand how the Company can tolerate it.

(3) (Reference B-4-C and B-4-D). You have requested that all scheduling rules be modified to provide that reserve pilots can be assigned to "standby" duty a) at their homes, or b) at their base, or c) at any other designated point at Company option. It appears that this concept has numerous implications bordering on temporary assignment, duty rig, foreign assignment and perhaps overtime pay considerations, and therefore, is not within the scope of local scheduling rules or this committee. It is suggested that the Company request the MEC for conferences to negotiate a Side Letter to the Working Agreement to provide for any standby assignments you may require. In the interim Sections B-4-C and B-4-D which I proposed for the DC-9 rules, but which were never signed and implemented are hereby withdrawn in favor of your broader proposal, and at this time we really retain only the original concepts a) there is no such thing as "standby" duty in the Agreement for any pilot except per Section 5-H-10, and b) any pilot, including all reserves, requires 24 hour notification for every trip assignment per Section 31-L of the Agreement (except per Section 5-H-10).

(4) (Reference Section C-2). You have suggested that all bids be published with or without Local Scheduling Committee approval, and that the proposed DC-9 procedure is unworkable. We feel that the proposed procedure has never been used and never demonstrated to be unworkable. We lack the trust and confidence in your Scheduling Departments and do not feel that it is advisable to relinquish review of bid preparation by granting blank check authority to any Scheduling Department. Further, we feel your requested procedure is contrary to Section 5-H-1 of the Agreement, providing that the Local Scheduling Committee "assist the Company in administering this Section".

(5) You have suggested that no guidelines be prepared relating to open flying. We feel that good open flying procedures, honestly applied, are essential to the solution of a great many of our scheduling problems and to improve pilot utilization. Specifically we charge that a lack of integrity not only on the part of some greedy pilots, but through laziness, disorganization, and favoritism on the part of some of the schedulers, and combined with inadequate surveillance on the part of Management is proving extremely costly to the majority of the pilot group and to the Company. Those scheduling rules relating to open flying have never been properly applied at any base or on any equipment. We deplore the waste of over/under utilization of the pilot crews, but we're tired of listening to people cry about it rather than initiating actions to correct the problems.

Since Management has never implemented the agreed upon scheduling rules for open flying assignments, why try to modify or improve what we have if it won't be followed anyway? We suggest that the Company now request the MEC for conferences to negotiate a Side Letter to the Working Agreement to modify Section 5-H-11 to provide some equitable and workable rules for all open flying assignments. It appears important that this be done in a timely manner and the Company should be prepared to provide the pilot group some positive assurances that it now intends to properly administer such rules. We mean the above as a warning to you. We see pilot dissatisfaction mounting daily and fear that it can become detrimental to our mutual interests.

(6) You have asked for an interpretation of the wording and/or intent of Section 26-A-8 in the application of schedules, but at this time it is felt that jurisdiction in this matter must be in accordance with Section 23-D.

Please advise at your earliest convenience how we can proceed further with development of local scheduling rules, concepts and guidelines.

Very truly yours,

T. E. Ahern, Chairman
Central Scheduling Committee

TEA:ika:mzs

cc: M. E. Starkloff
R. H. Elten
R. Waring
M. F. Marshall
E. C. Veronelli
P. U. Green
H. B. Ball
K. B. Roberts
P. W. Witting
F. L. Morse
T. Secola
T. B. Perry
B. D. Michael
J. L. Gregg
C. J. Flanigan
W. W. Harris
B. G. Grant

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

[redacted]ONA[redacted]

8 October 1973

Mr. E. C. Veronelli
165 Cupsaw Drive East
Ringwood, New Jersey 07456

Dear Ed:

The Company is in receipt of Captain Ahern's letter of 4 October 1973 to Mr. Ferriss concerning the development of Local Scheduling Rules. We are shocked and disappointed at the hard line tenor of the letter. We regret that the frank and amiable exchange of views during the 15 August 1973 meeting resulted in the allegations and charges made in the letter concerning past performance, and the reference to warnings and implied threats does little to foster the spirit of cooperation so necessary to attain our stated mutual objective of economic and full utilization of the pilot group.

Let me make it clear that the Company does not intend to incorporate into Local Scheduling Rules more restrictive provisions on the utilization of pilots than are contained in the current CNA/Pilot Agreement. We must use all pilots fully and economically. With this basic premise, I will address each of the points in Captain Ahern's letter.

(1) We will implement

(2) The provisions of Section 5 H 6 and 7 are clear. We do not intend to go further. We will attempt to schedule trips and prepare bid lines so that the maximum time can be flown in the fewest possible duty days, but we will not be bound by a flying hour/duty day relationship other than what is contained in the basic Agreement.

(3) Section 5 H 7 applies. A pilot bids for reserve duty, and the Company will indicate on the reserve line where the reserve duty will be performed: At the domicile or at any other designated place where the Company may have an expectation to need the pilot. Twenty-four hours notice will be given before duty (Section 31 L), but once on duty twenty-four hours notice is not required before a trip or flight.

(4) Sections 5 H 1, 4, and 11 apply. The Company will prepare bid lines, the bid lines will be made available for review by appropriate Local Scheduling Committees who may make recommendations for changes, the recommendations will be duly considered by the Company and where considered reasonable and feasible will be incorporated into the bid lines. Approval or disapproval authority, however, will not be vested in a Local Scheduling Committee.

(5) No suggestion was made that open flying rules be developed without guidelines. On the contrary, it was suggested that Local Scheduling Rules for open flying be developed at the local level with the following guidelines:

a. They not be in conflict with the basic CMA/Pilot Agreement;

b. They be fair and impartial;

c. They be workable.

Mr. Elten for the DC-10 and DC-8 groups, and Mr. Waring for the DC-9 and L-188 groups, have developed draft rules for open flying.

(6) Noted.

Nearly three months have elapsed since my letter of 13 July 1973 concerning the need for developing Local Scheduling Rules. We have been and are ready to proceed within the confines of the present Agreement. We do not believe Side Letters of Agreement are necessary or desirable.

In your new capacity as the Chairman of the Master Executive Council, I ask that you meet with me so that we can develop a schedule and program for what needs to be accomplished. May I hear from you at an early date?

Sincerely,

/bc

cc: T. E. Ahern
R. H. Elten
R. Waring
M. F. Marshall
P. U. Green
H. B. Ball
K. B. Roberts
P. W. Witting
F. L. Morse
T. Secola
T. B. Perry
B. D. Michael
J. L. Gregg
C. J. Flanagan
W. W. Harris
B. G. Grant

CERTIFIED

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

- x

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL,

Plaintiff,

v.

OVERSEAS NATIONAL AIRWAYS, INC.,

Defendant.

75 CIV. 836 (MAC)

- x

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

BRUCE DRIES, being duly sworn, deposes and says:

1. I am an air line pilot employed by Overseas National Airways, Inc. ("ONA"). I have been so employed since December 1967. I am a member of the Air Line Pilots Association, International ("ALPA"), and I am Chairman of Local Council 38, which is comprised of the DC-10 pilots in Los Angeles and the DC-8 and DC-10 pilots in New York.

2. I am a DC-8 captain. Because of my seniority, I am generally awarded a reserve line of flying rather than a scheduled line of flying on the DC-8. For example, I held a reserve line in December 1974, January 1975, February 1975, April 1975, and June 1975. I wish to bring to the Court's attention certain important facts descriptive of the reserve operation.

3. As a reserve DC-8 pilot, I have very seldom been asked by the company to take any trip on less than 24 hours' notice. On the few occasions where I have been asked, I have refused to take such trips, because of the 24 hour rule. The company has never invoked any discipline against me for refusing to take flights on less than 24 hours' notice. It is apparent to me that the 24 hour notification rule for reserve pilots prevents the company from taking any discipline against a pilot who refuses to take a flight on lesser notice.

4. I am completely unaware of any policy of ONA of designating the place at which pilots holding reserve lines would perform their days of reserve "duty". In my entire history as a reserve pilot, I recall no instance in which any company representative has designated to me any particular location where I am required to be located for reserve duty availability.

5. I have read the affidavit of Mr. Lester R. Ferriss, Jr., submitted by ONA in the present litigation, and wish to comment on certain of Mr. Ferriss' statements. I have already noted that at no time has ONA designated a location where I am to be available for reserve duty. Mr. Ferriss states in paragraph 7 of his affidavit that such designations appear on the reserve bid lines. He further states, "pilots appear when and where designated on their bid lines." I have never seen a bid line awarded to pilots at ONA containing any indication of "when and where" reserve duty was to be performed. The only data for reserve pilots historically contained on bid line sheets has been the days

of rest for the reserve pilots. Indeed, on many occasions, even less information for reserve pilots has been provided on the bid line sheets. I annex hereto as Exhibit A a bid line sheet for January 1971, which was furnished me by the former ALPA Central Scheduling Chairman. Line 10 of page 2 of Exhibit A contains the "reserve line" for the month of January 1971. Those lines do not even indicate the days of rest for reserve pilots. This exhibit is not an isolated instance, but reflects a consistent practice by the company to afford reserve pilots only the most sketchy information regarding their duty during any particular month. I annex hereto as Exhibit B a copy of the bid lines for May 1975, showing on page 2 thereof that the only information for reserve pilots given is days of rest. I simply do not understand how Mr. Ferriss was able to state in his affidavit that pilots appear "when and where designated on their bid lines."

6. I also do not understand how Mr. Ferriss was able to state in paragraph 7 of his affidavit that, "no further notice is, or ever has been given or required," beyond the monthly bid line notification. As a reserve pilot I am almost always informed of my particular flights by telephone from the company more than 24 hours before I am to take the flight. If this is not done, as I stated above, I typically inform the company that I will not take the flight. The company has never questioned my practice in this regard.

7. It is also Mr. Ferriss' position that a reserve pilot is "on duty" as a reserve pilot on any day other than his designated days of rest in the bid line. See paragraphs 8 and 9

of Mr. Ferriss' affidavit. I wish to point out that Mr. Ferriss' position makes no sense in the context of the entire collective bargaining agreement. In particular, Section 5 f of the agreement defines a day of duty as the "day on which a pilot is called out and reports for duty." (Exhibit C hereto, page 1). Section 5 C provides maximum duty times of 16 and 18 hours for domestice and international pilots respectively. (Exhibit C, pages 1 and 2). If a reserve pilot is on duty from the very beginning of any reserve availability day, his duty clearly expires at 4:00 p.m. or 6:00 p.m. of the applicable day depending on whether he is a domestic or international pilot. However, reserve pilots frequently are required to take flights departing after those hours on the reserve availability days.

8. As a reserve pilot and as Chairman of the Local Executive Council 38, I can categorically state that many reserve pilots have been, are, and will continue to be willing to take flights on less than 24 hours notice to assist the company in circumstances presenting emergencies. The pilots obtained the 24 hour notification rule for our protection, but we have no desire to utilize that rule to the detriment of the company's operations. The point at issue here is ONA's attempt to change the 24 hour rule unilaterally, without following the negotiation procedures in the collective bargaining agreement and the Railway Labor Act. If ONA is allowed to make this unilateral change, there is no apparent limit on the extent to which the company can tear up and annull the collective bargaining agreement, an agreement which is virtually the sole source of protection for ALPA pilots. For these reasons, it is respectfully requested that

Injunctive relief as requested by ALPA be issued by this Court.

Bruce Dries

Sworn to before me this

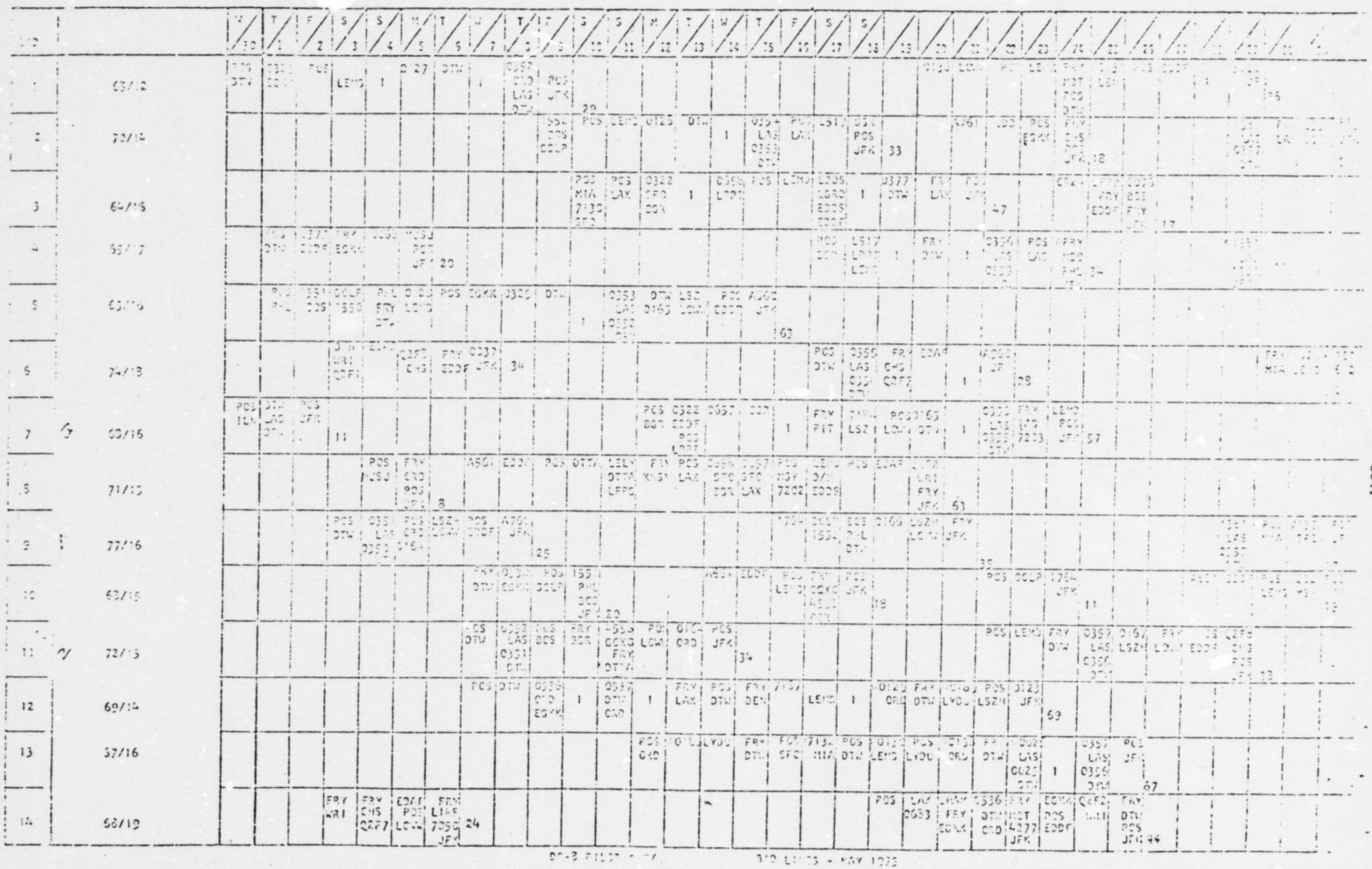
4th day of June 1975

Notary Public, State of New York
Qualified in Westchester County
Commission Expires March 30, 19[illegible]

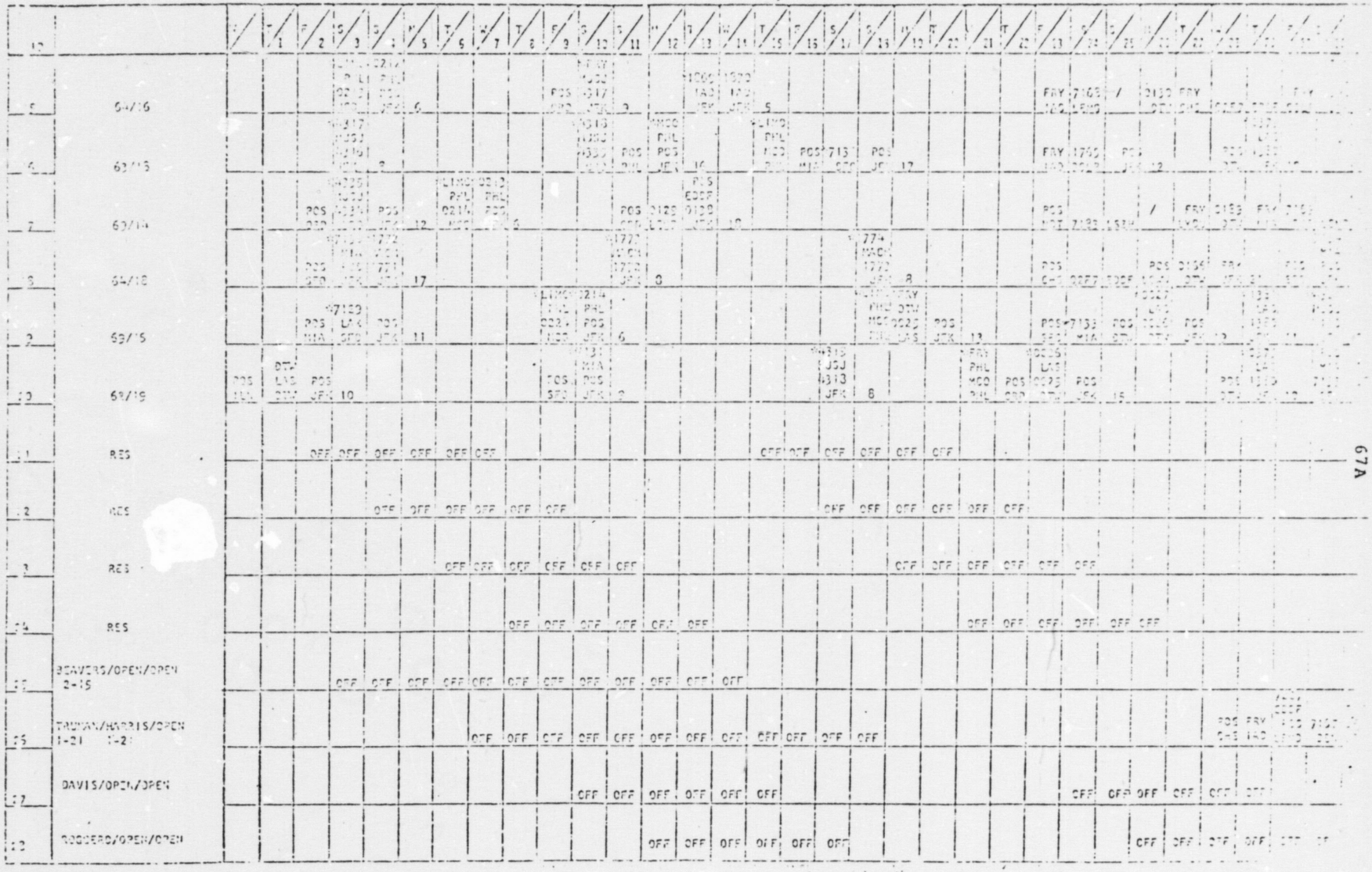
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ITEMS	/1	/2	/3	/4	/5	/6	/7	/8	/9	/10	/11	/12	/13	/14	/15	/16	/17	/18	/19	/20	/21	/22	/23	/24	/25	/26	/27	/28	/29	/30
(15) 15 12.0				ITMD OAK	ITMS ANC	Q2FT RJTY	Q282 ANC	Pos LAX	762 DAL BGR	--	1618 LAX	Pos JFK	40.0												Pos SUU	Q2B1 RJTY	Q282 SUU	Pos xx	--	Fry LGA	--
(14) 14 9.0				Pos NTD	D2762 LGA	Pos EDDF	--	1756 JFK	19.0					L1MO WRI Q233 EDDF	Pos LEPA	xx BGR JFK	17.0						Pos RJTY	--	As VTBD	As RJTY	--	As VTBD	As RJTY	--	--
(13) 13 10.0				1755 LAX	Pos JFK	9.0					D263 EDDF	--	Fry LSGG	7522 BGR JFK	18.0	Pos DSM	7537 LEMD	Fry SUU	--	Q2A3 RJTY	--	Q2A4 SUU	Pos LAX	As Hnl	--	As LAX	Pos JFK	58.0			
(10) 10 6.0				D232 EDDF	--	--	D2733 JFK	16.0						Pos MKPO	2422 EGKK	Fry DSM	Pos JFK	21.0			D2637 EDDF	Pos JFK	12.0					Pos BGR	1660 LFPB	Pos LEPA xx JFK	17.0
(16) 16 15.0					L1MO WRI Q2B1 ANC	--	Q282 WRI JFK	16.0				D2774 EDDF	02735 JFK	16.0	Pos BGR	xx LSZH	--	--	Fry JFK	17.0					D2332 EDDF	Pos LFPB	Fry JFK	16.0	Pos BGR	
(12) 12 9.0				Pos RJTY	--	Q2ST VVSH	Q282 RJTY	Pos LAX	--	--	1625 EGKK	--	Fry LSZH 7521 BGR	7527 LSZH EDDF	1757 BGR	Pos JFK	62.0								Pos LAX	As HNL	--	As LAX	--	As HNL	
(17) 18 10.0																H	Pos RJTY	--	Q2A3 VVVS	Q2A4 RJTY	Q2A3 VVVS	Q2A4 RJTY	--	--	--	Q2B1 VVDH Q282 RJTY	Q2B1 VVVS Q282 RJTY	Q2B1 VVDH	Q2C1 RJTY	Pos JFK	70.0
(11) 11 12.0	Pos DTW Fry MIA	Q2B Pos FWL Fry LEPB	Pos LEPA	D177 JFK	2210										Pos LAX	xx BGR JFK	9.0						Pos HNL	As RJTT	--	As HNL	As RJTT	--	As HNL	--	As TYO
CONTINUE LINES	20	- 21	- 22	- 23																										
OPEN FAC				7524 BGR JFK	7.0																									

65A



DC-8 PILOT [illegible] DID LINES - MAY 1975



SEQ		W	T 1	F 2	S 3	S 4	M 5	T 6	W 7	T 8	F 9	S 10	S 11	M 12	T 13	W 14	T 15	F 16	S 17	S 18	M 19	T 20	W 21	T 22	F 23	S 24	S 25	M 26	T 27	W 28	T 29	F 30	S 31
2C	BALL/OPEN/GAINER		OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF										
2C	CRAWFORD/OPEN/ROBERTI				OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF								
3'	KUTSCHARA/OPEN/CARROLL						OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF						
3'	LONGO/OPEN/STAGEMAN								OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF				
3	MIHALICH/OPEN/FRANKEL										OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF		
3'	WILLIAMS/OPEN/CECIN												OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF
	OPEN																								POS MIA 7132 SFO	POS JFK	B				OTA LAS SFO	LAX JFK	
	TRIPS																							POS PHL	IAD JFK MJSJ JFK	1775 MIA 1774 JFK	19						

DH - PILOT & FLIGHT ENGINEER SEQ LIMITS - W.T. DAYS

MEMORANDUM

OVERSEAS NATIONAL AIRWAYS

From: Mr. R. H. Ellen

Date: 28 December 1970

Subject: Bid Awards -- January, 1970

Reference:

		Action	Info
MR/	All DC-8 Pilots		X
MR/	All DC-8 Flight Engineers		X
MR/	Crew Scheduling		
Mr.			
Mr.			
Mr.			
Mr.			
Mr.			
Mr.			

LINE	CAPTAIN	FIRST OFFICER	FLIGHT ENGINEER
1.	Furlong	Meyer	Ball
2.	Foster	Burchfield	Cocker
3.	Morrison	Cupp	Stowe
4.	Kerns	Horacek	Antablian
5.	Secola	Nolo	Holland
6.	Valent	Morse	Bullock
7.	Travelute	Lowenthal	Wotton
8.	Seaver	Cuglielmini	Brant
9.	Hobbs	Ferry	Barilla
10.	Francis	Green	Richards
11.	O'Hara	DeRoule	Retter
12.	Patterson	Norman	McCloy
13.	Marshall	O'Brien	Scott
14.	Davis	Jones	Preede
15.	Ahern	Templeton	Gold
16.	Hanrahan	Lathom	Howard
17.	Perry	Petrikas	Geraldi
18.	Love	Potter	Whitesell
19.	Carson	Strother	Bord
20.	- - - - -	- - - - -	Mogey
21.	- - - - -	- - - - -	Konzen
RESERVE	Christensen	Ball	Quack
RESERVE	Kleczek	Usher	Parks
RESERVE	Willard	Kenman	Schooley
RESERVE	- - - - -	Roberts	- - - - -
RESERVE	- - - - -	Vinson	- - - - -
RESERVE	- - - - -	Winters	- - - - -
			Iscaro

MEMORANDUM

OVERSEAS NATIONAL AIRWAYS

From: R.H. Ilten

Date: 2 April 1975

Subject: DC-8 Bid Awards - May 1975

Reference:

To: W/ All DC-8 Pilots and W/ Flight Engineers

	Action	Info
Mr.		
Mr.		
Mr.		
Mr.		
Mr.		
Mr.		
Mr.		

BID		CAPTAIN	F/O	F/E
1.		Hoyt	Meade	Szaro
2.		Blakely	Malm	Scott
3.		Michael	Brege	LaFace
4.		Wintermyer	Milligan	Richards
5.		Potter	Bannerman	Nagey
6.		Feldman	White	Barilla
7.		Carson	Armantrout	Quack
8.		Francis	Lopez	Boganski
9.		Hanrahan	Seltner	Cocker
10.		Flavell	Mott	Parks
11.		Marshall	Lowenthal	Hall
12.		Skala	Allcott	Mion
13.		Willard	Molo	Stump
14.		Furlong	O'Brien	Stowe
15.		**Secola	**Birky	**Gibeau
16.		**Veronelli	Kolfenbach	Konzen
17.		Andrechyn	Reuter	Lubicich
18.		Seaver	Green	Conatser
19.		Templeton	West	Antablian
20.		Dries	Dee	Kaye
21.	Res	Holdahl	Howe	Cassens
22.	Res	Smallwood	Clapp	Kozloski
23.	Res	Sisandl	McConnell	Norton
24.	Res	Adams	Witting	Claquin
25.	Res	*Beavers	**Parker	Schooley
26.	Res	*Thomas	*Harris	Williams
27.	Res	***Davis	Fox	**Sieg
28.	Res	**Roggero	**Doolittle	**Stetler
29.	Res	***Ball	Peavler	***Garner
30.	Res	***Crawford	Smith	***Roberti
31.	Res	Kutschara	**Hladek	***Carroll
32.	Res	*Case	Huf	***Strecman
33.	Res	***Hamilton	**Nielsen	***Rgnonti
34.	Res	***Williams	Pilkington	***Cecin
35.		---	---	**Jones

*Vacation
**Assigned
***Training

R.H. Ilten

ld

Read in column "A" the difference in days of rest earned and days of rest received. Read in column "B" days to be paid.

A	B	A	B	A	B	A	B
1	3	10	20	19	38	28	56
2	4	11	22	20	40	29	58
3	6	12	24	21	42	30	60
4	8	13	26	22	44	31	62
5	10	14	28	23	46	32	64
6	12	15	30	24	48	33	66
7	14	16	32	25	50	34	68
8	16	17	34	26	52	35	70
9	18	18	36	27	54	36	72

When proper days of rest have been scheduled and have not been received through no fault of either the Company or the pilot, (i.e., weather, mechanical, etc.) the pilot may be removed from a bid trip(s) in the last month of a quarter in order to provide guaranteed days of rest not received. The pilot shall have the option of selecting the trip(s) he drops providing he does so by the tenth (10th) of the affected month, considering reserve availability and he gives crew scheduling at least seventy-two (72) hours prior notice.

Computation of daily average rate of pay: A pilot's daily average rate of pay for any calendar quarter shall be computed by dividing his total pay credit from the Company during that calendar quarter by the total number of days during that calendar quarter in which the pilot was on active payroll status with the Company.

F. Days of Rest, Days of Duty: For the purpose of this section the day on which a pilot is called out and reports for duty shall be considered a day of duty, and the day a pilot returns to his domicile shall be considered a day of duty. Calendar day shall be based on the pilot's domicile. A full day is defined as 00:00 to 23:59 local time.

G. Daily Flight Time Limitations and Rest Periods:

1. Domestic Flying:

a. A pilot will not be scheduled to fly in excess of eight (8) hours block to block in any twenty-four (24) consecutive hours without an intervening rest period.

When the required rest period is nine (9) hours or less, one (1) hour will be added to the required rest period.

b. A pilot shall not be on duty in excess of sixteen (16) hours.

c. Duty time will begin two (2) hours prior to scheduled departure or at sign in and end thirty (30) minutes after block in or at sign out.

2. International Flying:

a. A pilot shall not be scheduled to fly in excess of twelve (12) hours block to block in any twenty-four (24) consecutive hours without a rest period.

b. A pilot shall not be scheduled for on

duty in excess of sixteen (16) hours with a maximum of eighteen (18) hours.

c. On duty time will begin two (2) hours prior to scheduled departure or at sign in and end thirty (30) minutes after block in or sign out.

d. A minimum rest period will consist of nine (9) hours in the hotel.

3. International and Domestic Flying:

a. Time spent in deadheading or commercialing to or from a duty assignment will not be considered as rest.

b. All time spent in deadheading or commercialing shall be considered on duty time for the purposes of complying with duty time limitations unless at least ten (10) hours of rest is given before being assigned to flight duty.

c. Pilots will not be assigned to ferry flights if the maximum on duty time or flight times will be exceeded.

H. Scheduling Planning Policy:

1. The Company shall establish on a monthly basis its requirements for pilots and shall establish the trip pairings, duty period assignments and proposed lines of flying which are to be used for each equipment type flown from each domicile or temporary base of operation in accordance with the provisions of this Schedul-

ing Policy. No revision of such pairings or duty period assignments may be made unless mutually agreed upon between the Vice President - Operations and/or his designee and the ALPA Local Scheduling Committee except as otherwise provided in Section 5E2.

2. A pilot shall be awarded a "Scheduled Line" assignment or a "Scheduled Reserve Line" assignment in order of his seniority and individual preference.

3. Definitions:

   a. "Scheduled Line" of flying shall be defined as a group of scheduled trips which have been paired together.

   b. "Scheduled Reserve Line" of flying shall be defined as a line without any scheduled trips, or group of trips paired together.

   c. An "Open Line" of flying shall be defined as a line with a scheduled trip, or groups of trips that cannot be reasonably paired or does not comply with paragraphs E1 and H5 of this Section.

   d. An "Open Trip" shall be defined as a trip appearing in an "open line" of flying or a trip, trip segment or series of trips for which a line holding pilot is not available.

4. The planning policy in pairing trips will

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

- x

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL,

Plaintiff,

v.

OVERSEAS NATIONAL AIRWAYS, INC.

Defendant.

75 CIV 836 (MAC)

- x

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

THOMAS E. AHERN, being duly sworn, deposes and says.

1. I am a DC-10 pilot employed by Overseas National Airways, Inc. ("ONA"). I have been employed by ONA since 1957. I am a member of the Air Line Pilots Association, International ("ALPA"). I was Central Scheduling Chairman for the ALPA Master Executive Council on ONA from 1966 through 1974. I make this affidavit in support of ALPA's application for injunctive relief in the above litigation.

2. Prior to late 1968 there was no distinction in ONA scheduling between reserve lines and scheduled lines of flying. In fact, the entire present system in lines of flying and bidding for such lines did not exist. Pilots were assigned to individual trips according to seniority without the opportunity to bid for lines of flying. Moreover, assignment of trips was not made at the beginning of each month, but was made only a short period before the trips were to be flown. Generally notification for

trips took place two to five days before departure. The 24-hour notification rule, which is now found in Section 31(L) of the current collective bargaining agreement, was negotiated and placed into the contract to assure that notification and assignment would take place at least 24 hours prior to reporting for duty. That provision has existed in collective bargaining agreements almost since the time I was first employed by ONA.

3. During that period, prior to the establishment of a bid line system, it would be accurate to state that in effect allpilots employed by ONA were on a reserve status. That is so because all pilots were subject to call for ONA flight assignment with no more than 24 hour notice guaranteed by the collective bargaining agreement. There is no question that the company was able to fulfill its flight obligations under the system as it then existed. This was also because many pilots were willing to take trips on less than 24 hours' notification if the company faced an emergency condition. It was always understood that the willingness of pilots to assist the company in this respect was a voluntary matter and was not required by the contract. It was understood that pilots were free to refuse on less than 24 hours' notice, and there were occasions when I refused trips on less than the required notice. The company never took disciplinary action against me or any one else to my knowledge for refusal to take a trip on less than 24 hours' notice.

4. In 1968, in the course of negotiations toward a new collective bargaining agreement, ONA and the ONA pilots agreed to adopt the present system of scheduled lines and reserve

lines of flying, as previously described in the affidavit of Theodore Scola submitted in this action. In essence, the new system provided that pilots would bid for either scheduled lines or reserve lines of flying on the basis of seniority, in a monthly bid. When this system went into effect, it was understood by all concerned that there was to be no change in the 24 hour notification rule. That rule was left intact in the collective bargaining agreement. It was intended that the rule would have the same meaning for scheduled pilots and reserve pilots. This was the meaning that had been attached to the rule during the previous period when all pilots were in effect on a reserve status. The rule required that each pilot receive no less than 24 hours' notification before he was required to report for flight duty. It was understood that the mere award of monthly scheduled lines and reserve lines of flying did not constitute sufficient notification within the meaning of that rule.

5. When the new scheduling system went into effect, it was also agreed by the parties that the company and pilots would negotiate local scheduling rules applicable to each type of equipment flown by the company. It was understood that such rules could not be inconsistent with the terms of the collective bargaining agreement. The first local scheduling rules negotiated by the parties applied to the DC-8 equipment. Those scheduling rules were considered effective July 1, 1969. They contained absolutely no requirement that reserve pilots be available on less than 24 hours' notice or that they position themselves at any location other than their homes to be available for reserve duty. No scheduling rules for DC-8 equipment subsequently placed into effect have ever contained a reduced notification period or a requirement that a reserve pilot position himself

away from his home to be available for reserve duty. The same concepts have applied in local scheduling rules applicable to the DC-9 and DC-10 aircraft.

6. The only time that the company has ever operated on the basis of a reduced notification period was with respect to pilots of the L-188 Electra aircraft. The procedures applicable to the Electra crews called for Electra reserve crews to be on duty within four hours of flight departure. Those procedures were observed only on the Electra aircraft. The entire complement of Electra aircraft were based at Norfolk, Virginia. There was a separate ALPA local Executive Council for the Electra aircraft. It was the desire of that Council to negotiate with ONA the four hour procedure that I have referred to. The reason the Electra pilots wanted such a procedure was their belief that it would be helpful to the company in light of the specific circumstances applicable to Electra flying. Accordingly, the Electra pilots advised the company that they would not enforce the 24 hour rule for reserve pilots only. The Electra context is the only situation where ALPA pilots have agreed with the company not to enforce the 24 hour rule for reserve pilots.

7. I have read the affidavit of Mr. Lester R. Ferriss, Jr., submitted in the litigation. At paragraph 21, thereof, Mr. Ferriss states that a 2 hour driving rule was in effect for Electra reserve pilots from 1969 into 1974. As I have indicated, the only special procedure applied to Electra reserve pilots was a four hour notification procedure. Moreover, that procedure was not observed from 1969, but only commenced in

1973. Of greater significance, however, is the fact that this procedure came into being only because the Electra pilots themselves advised the company that they would accept such a procedure applicable to their own operation. No similar procedure has ever been observed with respect to any other type of equipment.

8. I wish to emphasize that the collective bargaining agreement provides that local scheduling rules may not be unilaterally implemented by the company, but must come about only as a result of negotiation including final approval by the Master Executive Chairman for the ONA pilots. Merely because one group of pilots, the Electra pilots, wish to have local scheduling procedures peculiar to them, does not mean that those procedures ever came into being or were effective for any other group of pilots. The only way that could happen was by proper negotiation and agreement as required by the collective bargaining agreement. In this connection it should also be noted that the company disposed of its Electra equipment in the Fall of 1974.

9. The present collective bargaining agreement went into effect on July 1, 1973. On July 13, 1973, Mr. Malcolm E. Starkloff, ONA Vice President - Operations, wrote the ALPA Master Executive Council with a view toward establishing discussions on new local scheduling rules. Subsequently, there was a meeting between pilot and company representatives to discuss local scheduling rules. That meeting was held August 15, 1973. At that meeting Mr. Perrin proposed on behalf of ONA that all scheduling rules be modified to provide that reserve pilots can be assigned to "stand-by" duty at their homes, at their base, or at any other designated point at company option. That proposal

by the company appears to be the same concept that the company has attempted to implement through its pilot bulletin that is the subject of the present litigation. As Central Scheduling Chairman for the ONA pilots, I advised Mr. Ferriss that his proposal was not acceptable. A copy of my letter to Mr. Ferris in this regard, dated October 4, 1973, is annexed hereto as Exhibit A. On October 8, Mr. Starkloff responded to my letter by writing to Captain Veronelli, at that time the ALPA Pilot MEC Chairman stating his position that Section 31(L) applies to reserve pilots. Mr. Starkloff added, " 24 hours notice will be given before duty (Section 31(L)), but once on duty 24 hours notice is not required before a trip or flight." A copy of Mr. Starkloff's letter is submitted herewith as Exhibit B. Apparently Mr. Starkloff was reiterating the company's proposal made by Mr. Ferriss, that reserve pilots be subjected to a lesser notification period than scheduled pilots. Negotiations over scheduling rules continued after that correspondence, but the company's proposal has never been agreed to. Indeed, no agreement on new scheduling rules has been reached. The company in its pilot bulletin on DC-8 and DC-10 reserve pilots, has attempted to place into effect precisely the type of reduced notification period for reserve pilots that it has been unable to obtain in negotiations with the pilots. This is an exercise of self help by the company which should be enjoined.

10. It is apparently the company's position that certain of the scheduling rules previously observed by some of the pilots continued to apply and permit the company to take its unilateral action. In particular, the company refers to the Electra procedures, although admitting that the Electra aircraft is no longer flown by ONA. The company's effort to justify its present action

on the basis of those procedures is particularly inappropriate in view of the fact that the company itself takes the position that there are no local scheduling rules in effect at this time. I annex hereto a copy of a letter by J. W. Bailey, President of ONA, dated March 18, 1974 in which he states that "there are no local scheduling rules in effect." The parties are still in negotiation over new scheduling rules. It is incomprehensible how the company is able to place into effect a new rule, unilaterally, where it has been unable to obtain that rule in negotiations with the pilots. For this reason, the Court is urged to issue injunctive relief as requested by ALPA.

Thomas E. Ahern

Sworn to before me this
4th day of June 1975.

STANLEY M. BERMAN
Notary Public, State of New York
No. [illegible]
Qualified in Westchester County
Commission Expires March 30, 1976

80A

OVERSEAS NATIONAL AIRWAYS

8 October 1973

Mr. E. C. Veronelli
165 Cupsaw Drive East
Ringwood, New Jersey 07456

Dear Ed:

The Company is in receipt of Captain Ahern's letter of 4 October 1973 to Mr. Ferriss concerning the development of Local Scheduling Rules. We are shocked and disappointed at the hard line tenor of the letter. We regret that the frank and amiable exchange of views during the 15 August 1973 meeting resulted in the allegations and charges made in the letter concerning past performance, and the reference to warnings and implied threats does little to foster the spirit of cooperation so necessary to attain our stated mutual objective of economic and full utilization of the pilot group.

Let me make it clear that the Company does not intend to incorporate into Local Scheduling Rules more restrictive provisions on the utilization of pilots than are contained in the current ONA/Pilot Agreement. We must use all pilots fully and economically. With this basic premise, I will address each of the points in Captain Ahern's letter.

(1) We will implement

(2) The provisions of Section 5 H 6 and 7 are clear. We do not intend to go further. We will attempt to schedule trips and prepare bid lines so that the maximum time can be flown in the fewest possible duty days, but we will not be bound by a flying hour/duty day relationship other than what is contained in the basic Agreement.

(3) Section 5 H 7 applies. A pilot bids for reserve duty, and the Company will indicate on the reserve line where the reserve duty will be performed: At the domicile or at any other designated place where the Company may have an expectation to need the pilot. Twenty-four hours notice will be given before duty (Section 31 L), but once on duty twenty-four hours notice is not required before a trip or flight.

(4) Sections 5 H 1, 4, and 11 apply. The Company will prepare bid lines, the bid lines will be made available for review by appropriate Local Scheduling Committees who may make recommendations for changes, the recommendations will be duly considered by the Company and where considered reasonable and feasible will be incorporated into the bid lines. Approval or disapproval authority, however, will not be vested in a Local Scheduling Committee.

John F. Kennedy International Airport, Jamaica, New York 11430 Cable: ONATAIR (212) 656-8500

(5) No suggestion was made that open flying rules be developed without guidelines. On the contrary, it was suggested that Local Scheduling Rules for open flying be developed at the local level with the following guidelines:

a. They not be in conflict with the basic ONA/Pilot Agreement;

b. They be fair and impartial;

c. They be workable.

Mr. Elten for the DC-10 and DC-8 groups, and Mr. Waring for the DC-9 and L-188 groups, have developed draft rules for open flying.

(6) Noted.

Nearly three months have elapsed since my letter of 13 July 1973 concerning the need for developing Local Scheduling Rules. We have been and are ready to proceed within the confines of the present Agreement. We do not believe Side Letters of Agreement are necessary or desirable.

In your new capacity as the Chairman of the Master Executive Council, I ask that you meet with me so that we can develop a schedule and program for what needs to be accomplished. May I hear from you at an early date?

Sincerely,

/bc

cc: T. E. Ahern
R. H. Elten
R. Waring
M. F. Marshall
P. U. Green
H. B. Ball
K. B. Roberts
P. W. Witting
F. L. Morse
T. Secola
T. B. Perry
B. D. Michael
J. L. Gregg
C. J. Flanagan
W. W. Harris
B. G. Grant

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J.W. Bailey, President

ALPA EXHIBIT #_____

OVERSEAS NATIONAL AIRWAYS

18 March 1974

Captain Thomas E. Ahern
4 Beachside Drive
New Milford, Conn 06776

Dear Tom:

This is in reply to your letter of 12 March 1974 concerning local scheduling rules.

The Company's letter of 13 July 1973 (copy attached) advised the Master Executive Council that previous local scheduling rules were no longer applicable, and requested that joint action be taken to develop new ones. It also is noted that on 26 July 1973 ALPA's Council 23 declared local scheduling rules to be null and void.

Since 13 July 1973 a series of exchanges of correspondence and inconclusive meetings have occurred. Mr. Starkloff's 8 October 1973 letter indicated the portions of previous locally scheduling rules which were unacceptable to the Company and which the Company would not agree to including in new scheduling rules. The last of the meetings was held in October 1973 with the MEC Chairman and the Company's position again was explained and the objectionable portions of previous local scheduling rules were discussed in detail. Nothing further on the subject has been received until your letter. In the interim, Crew Scheduling Managers have been using as scheduling guidelines previous local scheduling rules without those portions which the Company has advised you are unacceptable. This procedure will continue until new local scheduling rules are promulgated.

In summary, there are no local scheduling rules in effect; for over eight months the Company has been attempting to develop new rules to no avail; the Company's position has consistently been that it is ready to jointly develop new rules provided the rules do not incorporate more restrictive provisions on the utilization of pilots than are contained in the current ONA/Pilot Agreement. Mr. Starkloff and Mr. Ferriss will continue to await word from the MEC Chairman or his representative on the matter.

Sincerely,

Enclosure

cc: E. Veronelli
K. Roberts
W. Harris
R. Hoelman
H. Starkloff
L. Ferriss
R. Elten
R. Marling

/bc

M. L. Stuckfoll, Vice President - Operations

OVERSEAS NATIONAL AIRWAYS

13 July 1973

Air Line Pilots Association
Master Executive Council
Overseas National Airways
Suite 503
91-31 Queens Blvd
Elmhurst, New York 11373

Dear Sir:

In connection with the new ONA/Pilot Agreement effective 1 July 1973, it is now appropriate that we develop local scheduling rules in accordance with Section 5, H, 11 of the Agreement. It is suggested that the development of these local scheduling rules be accomplished on an expedited basis to replace the previous local scheduling rules which are no longer applicable. It is believed that this is particularly important because of the changes contained in Section 5, Hours of Service, of the new Agreement.

I propose that in the near future a meeting be held between appropriate representatives of the Master Executive Council and me and my staff to discuss broad policy matters concerning local scheduling rules. I then propose that your DC-10 and DC-8 Local Scheduling Committee representatives meet with Mr. Richard Elten, Manager DC-10 and DC-8 Crew Scheduling, to establish local scheduling rules applicable to the DC-10 and DC-8 operations; a similar meeting will be held with your DC-9 and L-188 Local Scheduling Committee representatives and Mr. Robert Waring, and his assistants, who are responsible for the management of DC-9 and L-188 Crew Scheduling matters. I request your comments on these proposals, and a suggested date in the near future when the initial policy meeting can take place at ONA's New York Offices.

It is also requested that you provide to me a current listing of your Master Executive Council, Local Executive Councils, and pertinent Scheduling Committee members. In this regard, there has been some uncertainty in the past as to the limits of authority of representatives of your Council at various scheduling procedure meetings. It is hoped

OVERSEAS NATIONAL AIRWAYS

Air Line Pilots Association
Master Executive Council

12 July 1973

that representatives of your Council at the meetings proposed will have the authority to finalize local scheduling rules, subject of course to conformance with the basic Agreement and specifically the provisions of Section 5, H, 12.

Sincerely,

cc: W. Hobbs
M. Burks
P. Rowland
C. Popenoe
R. Elten
R. Waring

/bc

UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF NEW YORK

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL,		
Plaintiff,	:	75 C 836 (MAC)
v.	:	AFFIDAVIT IN SUPPORT OF IMMEDIATE INJUNCTIVE RELIEF
OVERSEAS NATIONAL AIRWAYS, INC.,	:	
Defendant.	:	

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

RICHARD E. HOCKMAN, being duly sworn, depose and says:

1. I am an Attorney-at-Law admitted to the Bar of the State of New York.

2. I am employed as a staff attorney by the Air Line Pilots Association, International ("ALPA"). Part of my responsibilities involve representing the pilots in the employ of Overseas National Airways, Inc. I make this affidavit in support of ALPA's application for immediate injunctive relief in the above matter. In particular, in the present affidavit I wish to point out that defendant Overseas National Airways, Inc. ("ONA") has consistently taken the position under the present pilot agreement that there are no scheduling rules for pilots in effect outside the terms of the pilots agreement -- regardless of the position that ONA takes in the present litigation.

3. By letter dated November 21, 1973, Dennis A. O'Connor, a pilot employed by Overseas National Airways, filed a grievance alleging a violation of the ONA/ALPA Pilot Working Agreement and the DC-9 Local Scheduling Rules. The grievance was denied and the matter was submitted on February 27, 1974 to the ONA Pilot System Board of Adjustment as ALPA Case No. NY-125-73 (O'Connor v. ONA).

4. By letter dated February 28, 1974, Mr. L. R. Ferriss, Jr., Assistant Vice President of Operations for Overseas National Airways, submitted to the ONA Pilot System Board of Adjustment the company position in the O'Connor case. Mr. Ferris stated, among other things, that there were no DC-9 Local Scheduling Rules in effect subsequent to July 1, 1973 since these Local Scheduling Rules became null and void upon the signing of the Overseas National Airways Pilot Working Agreement July 1, 1973. A copy of Mr. Ferriss' letter is annexed hereto as Exhibit A.

5. By letter dated March 13, 1974, J. E. Cranford, an ONA pilot, filed a grievance alleging a violation of the Pilot Working Agreement and the DC-9 Local Scheduling Rules. The company denied the grievance citing, in part, Mr. Ferriss' letter of February 28, 1974, in which he stated that there were no DC-9 Local Scheduling Rules in effect subsequent to the effective date of the 1973 Pilot Working Agreement. On April 3, 1974, the matter was submitted to the ONA Pilot System Board of Adjustment as ALPA Case No. NY-69-74 (Cranford v. ONA). A copy of DC-9 Chief Pilot Rowland's letter is annexed hereto as Exhibit B.

6. By letter dated June 15, 1974, Jules A. Simandl, an ONA pilot and Chairman of the ONA Master Executive Council Grievance Committee, filed a grievance alleging that the company was in violation of the Pilot Working Agreement in that J. W. Bailey, President of Overseas National Airways, Inc., in a letter of March 13, 1974, stated that there were no Local Scheduling Rules in effect. On March 3, 1974, this matter was submitted to the ONA Pilot System Board of Adjustment as ALPA Case No. NY-111-74 (Simandl v. ONA). A copy of Mr. Bailey's letter of March 13, 1974 is annexed hereto as Exhibit C.

7. By agreement with Robert E. Wagenfeld, Vice President/Legal of Overseas National Airways, Inc., the O'Connor, Cranford, and Simandl cases were consolidated and a neutral referee, Burton D. Turkus, was selected to arbitrate the cases.

8. On November 27, 1974, the three cases were presented before Arbitrator Turkus. Mr. Wagenfeld make an opening statement in which he stated that the only Local Scheduling Rules that were ever valid were the L-188 Local Scheduling Rules since the DC-8 and DC-9 Local Scheduling Rules were unsigned drafts and did not represent agreements. Mr. Wagenfeld reiterated the company's position that regardless of the above, the Local Scheduling Rules were voided by Section 35A of the 1973 Pilot Working Agreement. Arbitrator Turkus then directed the parties to attempt to negotiate Local Scheduling Rules rather than proceed with the case. In the event that negotiations were unsuccessful, he directed the parties to return within thirty (30)

days, at which time he would hear the merits of the case. There have been postponements subsequent to December 23, and at present, no Local Scheduling Rules have been agreed to and no date for the arbitration of the cases has been set.

Richard E. Hockman

Sworn to before me this
4th day of June 1975

RECEIVED
MAR 4 1974
N. Y. BRANCH OFFICE

OPA #1

26 February 1974

Chairman
OPA Pilot System Board of Adjustment
Overseas National Airways, Inc.

Re: ALPA Case No. [illegible]125-73
Dennis O'Connor vs. ONA

In reference to Paragraph 4. Position of the Company of ALPA submission in the cited case, the Company wishes to supplement and clarify its position as stated in Captain Rowland's letter of 22 February 1974, Submission Exhibit #3.

There were no DC-9 Local Scheduling Rules as such in effect in September 1973 since the previous DC-9 Local Scheduling Rules became null and void when a revised basic ONA/Pilot Agreement became effective on 1 July 1973, and new Local Scheduling Rules had not been agreed to at the time the matter in dispute occurred.

Notwithstanding the above, the reasoning of Captain Rowland's denial of the grievance based on the guidelines followed by crew scheduling departments is concurred in, and is consistent with the pertinent provisions of the basic Agreement. In this regard, it is pointed out that a scheduled lineholder (Mr. O'Connor's status in this case) has no eligibility or entitlement to open flying unless he has lost a trip or trips (see Section 5 H 8 of the Agreement). Since Mr. O'Connor had not lost a trip or trips, the denial of his grievance is proper.

Sincerely,

L. K. Ferriss, Jr.
Assistant Vice President
Operations

cc: P. Rowland
E. Veronelli
J. Sinnott
R. Magenfeld
C. Bart
B. O'Connor
E. Boehm

/bc

John F. Kennedy International Airport, Jamaica, New York 11430 Cable: ONAIRWAY (212) 656-6500

EXHIBIT A

OVERSEAS NATIONAL AIRWAYS

AV-69-74

SUBMISSION EXHIBIT #1

15 March 1974

Mr. J. E. Cranford
111 Wood Street
Warner Robins, Georgia 31093

Dear Mr. Cranford:

During the morning of 13 March 1974, I conducted an Investigation and Hearing through telephonic communications on your grievance concerning a claim for one hour pay credit for a "Show-No Go" on 15 January 1974.

The flight in question was the Logair 4J14 scheduled to depart WRB at 0200Z, 15 January. After you reported for duty, the flight was delayed due to weather conditions at TIK. You were then placed in crew rest and alerted at 1230Z for the delayed 4J14 flight, which departed WRB at 1717Z, 15 January 1974.

The only relevant paragraph in the ONA/Pilot Agreement in effect at the time of the cited incident is Section 31 (M) quote:

> "A pilot who is alerted, called out, and reports for flight duty (exclusive of training), shall be granted a minimum of one (1) hour's pay and flight time credit."

Although delayed, the 4J14 flight was flown by you and you received more than the minimum of one hour's pay and flight time credit.

Your grievance makes reference to the company's alleged violation of the DC-9 Local Scheduling Rules. It is the company's position, documented in a letter to the Chairman, ONA Pilot System Board of Adjustment, dated 28 February 1974 and signed by Mr. L. R. Ferriss, Jr., that there were no DC-9 Local Scheduling Rules as such in effect in January 1974, since the previous DC-9 Local Scheduling Rules became null and void when a revised basic ONA/Pilot Agreement became effective on 01 July 1973, and new Local Scheduling Rules had not been agreed to at the time the matter in dispute occurred.

In view of the above, it is believed there is no basis for your grievance since the ONA/Pilot Agreement has not been violated, and your grievance is accordingly denied.

Very truly yours,

P. Rowland
DC-9 Chief Pilot

cc: See attached list

P.O. BOX 2571 AIRPORT STATION • OAKLAND, CALIFORNIA 94614 • (415) 562-4951

EXHIBIT B

Copies to:

M. E. Starkloff
L. R. Ferriss
E. C. Veronelli
J. A. Simandl
K. B. Roberts
R. E. Hockman, Esq.

CERTIFIED MAIL P251528
RETURN RECEIPT REQUESTED

ALPA EXHIBIT

OVERSEAS NATIONAL AIRWAYS

18 March 1974

Captain Thomas E. Ahern
4 Beachside Drive
New Milford, Conn 06776

Dear Tom:

This is in reply to your letter of 12 March 1974 concerning local scheduling rules.

The Company's letter of [illegible] July 1973 (copy attached) advised the Master Executive Council that previous local scheduling rules were no longer applicable, and requested that joint action be taken to develop new ones. It also is noted that on 26 July 1973 ALPA's Council 23 declared local scheduling rules to be null and void.

Since 13 July 1973 a series of exchanges of correspondence and inconclusive meetings have occurred. Mr. Starkloff's 8 October 1973 letter indicated the portions of previous local scheduling rules which were unacceptable to the Company and which the Company would not agree to including in new scheduling rules. The last of the meetings was held in October 1973 with the MEC Chairman and the Company's position again was explained and the objectionable portions of previous local scheduling rules were discussed in detail. Nothing further on the subject has been received until your letter. In the interim, Crew Scheduling Managers have been using as scheduling guidelines previous local scheduling rules without those portions which the Company has advised you are unacceptable. This procedure will continue until new local scheduling rules are promulgated.

In summary, there are no local scheduling rules in effect; for over eight months the Company has been attempting to develop new rules to no avail; the Company's position has consistently been that it is ready to jointly develop new rules provided the rules do not incorporate more restrictive provisions on the utilization of pilots than are contained in the current ONA/Pilot Agreement. Mr. Starkloff and Mr. Ferriss will continue to await word from the MEC Chairman or his representative on the matter.

Sincerely,

Enclosure

cc: E. Veronelli
K. Roberts
W. Harris
R. Hedaman
H. Starkloff
L. Ferriss
R. Litten
R. Waring

/bc

EXHIBIT C

[illegible], Vice President - Operations

OVERSEAS NATIONAL AIRWAYS

13 July 1973

Air Line Pilots Association
Master Executive Council
Overseas National Airways
Suite 508
91-31 Queens Blvd
Elmhurst, New York 11373

Dear Sir:

In connection with the new ONA/Pilot Agreement effective 1 July 1973, it is now appropriate that we develop local scheduling rules in accordance with Section 5, H, 11 of the Agreement. It is suggested that the development of these local scheduling rules be accomplished on an expedited basis to replace the previous local scheduling rules which are no longer applicable. It is believed that this is particularly important because of the changes contained in Section 5, Hours of Service, of the new Agreement.

I propose that in the near future a meeting be held between appropriate representatives of the Master Executive Council and me and my staff to discuss broad policy matters concerning local scheduling rules. I then propose that your DC-10 and DC-8 Local Scheduling Committee representatives meet with Mr. Richard Elten, Manager DC-10 and DC-8 Crew Scheduling, to establish local scheduling rules applicable to the DC-10 and DC-8 operations; a similar meeting will be held with your DC-9 and L-188 Local Scheduling Committee representatives and Mr. Robert Waring, and his assistants, who are responsible for the management of DC-9 and L-188 Crew Scheduling matters. I request your comments on these proposals, and a suggested date in the near future when the initial policy meeting can take place at ONA's New York Offices.

It is also requested that you provide to me a current listing of your Master Executive Council, Local Executive Councils, and pertinent Scheduling Committee members. In this regard, there has been some uncertainty in the past as to the limits of authority of representatives of your Council at various scheduling procedure meetings. It is hoped

[illegible]

OVERSEAS NATIONAL AIRWAYS

Air Line Pilots Association
Master Executive Council

12 July 1973

that representatives of your Council at the meetings proposed will have the authority to finalize local scheduling rules, subject of course to conformance with the basic Agreement and specifically the provisions of Section 5, B, 12.

Sincerely,

cc: W. Hobbs
W. Burks
P. Rowland
C. Popenoe
R. Elton
R. Waring

/bc

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----------x

AIR LINE PILOTS ASSOCIATION, INTERNATIONAL, : 75-C-836

Plaintiff, :

v. : MEMORANDUM and ORDER

OVERSEAS NATIONAL AIRWAYS, INC., :

Defendant. : JUN 5 1975

----------x

Appearances:

Cohen, Weiss & Simon, Attorneys for Plaintiff, 605 Third Avenue, New York, New York 10016, by Michael E. Abram

Breed, Abbott & Morgan, Attorneys for Defendant, One Chase Manhattan Plaza, New York, New York 10005, by Louis A. Mangone

COSTANTINO, D.J.

On May 29, 1975 this court signed a temporary restraining order staying the defendant, Overseas National Airways, Inc., from implementing its plan to require pilots to station themselves within three hours driving distance of their equipment domiciles during their days of reserve duty. (ONA Pilot Bulletin #35-75.). Argument on the motion for a preliminary injunction was held June 4, 1975.

Both parties to the action agree that the resolution of the dispute is not a matter for this court; they agree that the dispute should be referred to the System Board of Adjustment for mediation. The sole issue in contention is whether a preliminary injunction should issue enjoining the airline from implementing Bulletin #35-75 (hereinafter referred to as the "3-hour policy") until the System Board of Adjustment has had an opportunity to meet and consider the question. The Air Line Pilots Association contends that an injunction to maintain the status quo is appropriate. It has submitted the affidavits of three pilots which support its position that the "24-hour" rule for notice to pilots, as embodied in Section 31L. of the Collective Bargaining Agreement, has been in effect for several years and that the airlines' "3-hour" rule is a unilateral attempt to change working conditions. The union maintains that this is a "major dispute" and therefore the status quo must not be altered pending resolution.

The airline asserts that the "24-hour" rule is satisfied when the bid-line notification is made and that the airline has never been obliged to give any further notice to pilots before they are scheduled to fly when they

are on reserve duty. The airline points to the "2-hour" rule which was in effect for "Electra" pilots to sustain its interpretation of the distinction between the "24-hour" rule and the rules requiring lesser notification times. They argue, in effect, that the "24-hour" rule is the status quo.

It appears that the dispute between the parties as to the proper interpretation of the "24-hour" rule (Section 31 L. of the Collective Bargaining Agreement) is a "minor dispute." Elgin, J. & E. Ry. v. Burley, 325 U.S. 711 (1945). "A [minor] dispute relates either to the meaning or proper application of a particular provision with reference to a specific situation . . . ." Elgin, at 723. To resolve this dispute, the court would have to engage in interpretation of the collective bargaining agreement, something it may not do. Order of Railway Conductors v. Pitney, 326 U.S. 562 (1946). The court is left in the difficult position of determining what the status quo is while being forbidden to interpret the contract. Under these circumstances the extraordinary relief of a preliminary injunction is inappropriate. Accordingly the motion for a preliminary injunction is denied and the

temporary restraining order previously entered is vacated.

This court expects that while the airline may put ONA Pilot Bulletin #35-75 into effect, no action will be taken which will prejudice or harm the pilots until the System Board of Adjustment has had an opportunity to inquire into this matter and other procedures under the Railway Labor Act have been completed.

So ordered.

U. S. D. J.

DIRECT EXAMINATION

BY MR. ABRAM:

Q Captain Marshall, would you state your position at Overseas National Airways?

A DC-8 captain.

Q How long have you been employed by Overseas Nat Airways?

A Since February 28, 1966.

Q And how long have you held your position as DC-8 captain?

A Since December of 1967.

Q Will you state your position in the Airline Pilots Association?

A I am a member of the Executive Board of the Airline Pilots Association and Master Executive Council Chairman for Overseas National.

Q What is the Master Executive Council?

A It is made up of the various local executive councils on that airline.

Q And is that the functioning body on behalf of the pilots of Overseas National?

A Yes, it is the representing body.

Q How long have you currently held your position as MEC chairman? If I may call it MEC for the record.

does that line contain any information about where he is to perform his reserve duty?

A No.

Q Now, are you familiar with the concept of standby reserve in the airline industry?

A Yes, only vaguely.

Q And would you describe what a standby reserve system is?

MR. MAHONE: I object. The witness has testified that he has a vague recollection.

THE COURT: He said "only vaguely."

MR. ABRAM: I am asking with respect to the industry and he said "vaguely." But I think based --

THE COURT: I will hear the answer. You may answer.

A A standby reserve would be any reserve pilot that would be available for a short notice assignment -- duty assignment.

Q And now, to your knowledge in other airlines in the industry, are distinctions made between ordinary reserve and standby reserve?

A Yes.

MR. MAHONE: I object. He hasn't laid a foundation whether he worked for any other airline

or is familiar with the practice.

THE COURT: Are you familiar with the practice of other airlines?

THE WITNESS: I am familiar with the practices of other airlines only vaguely. I would have to say that I am not familiar with United Airlines or TWA or Allegheny.

THE COURT: He cannot answer the question.

Q Captain Marshall, are you familiar with Pilots' Bulletin 35-75?

A Yes, I am.

Q And for the record that pilots' bulletin was submitted as an affidavit to Captain Sekola.

A As an exhibit to Captain Sekola's affidavit.

Q Before that bulletin was implemented, did any company representative discuss with you -- confer with you about putting that bulletin out before it was published?

A No, they did not.

Q Are you familiar with the -- strike that.

In the recent collective bargaining negotiations between the company and the pilots, did the company at any time propose to reduce the notification period in Section 31-L?

MR. MANGONE: Object to the form of the

question. It is leading and suggestive.

THE COURT: I will allow it.

MR. MANGONE: I wouldn't mind having the captain testify as to what was discussed.

Q Do you know if Section 31-L was discussed in the negotiations?

THE COURT: Excuse me a minute. We will take a five-minute recess.

(Recess taken.)

THE CLERK: Agreement marked as Plaintiff's Exhibit 1 for identification.

MR. ABRAM: May I have the last question?

(Question read.)

A Yes, I was informed by Captain Sekola that Section 31-L --

MR. MANGONE: Objection, your Honor.

MR. ABRAM: He is answering the question.

THE COURT: It is permissible.

MR. MANGONE: He doesn't know. He is testifying as to what someone told him.

THE COURT: It is permissible

Q Who was Captain Sekola?

A Captain Sekola is the chairman of the negotiating committee.

Q As chairman of the negotiating committee, does he give you reports from time to time on the progress of the negotiations?

A Yes, he does.

Q What did he tell you about the discussions on 31-L?

THE COURT: Rather than say what he told you, as the result of the conversation with him did you learn about something, whatever it was?

MR. MANGONE: Your Honor, would you note my continuing objection?

THE COURT: Yes.

Q In the conversation with Captain Sekola, what did you learn regarding discussions on 31-L?

A He informed me that the company had requested at one time that 31-L be deleted from the contract. Sometime after that I was informed again by Captain Sekola that they had proposed that 31-L, as it reads now, not apply to reserve pilots, that the reserve pilots would receive shorter notifications.

MR. MANGONE: I hate to interrupt the witness' testimony, but I would like to know whether or not he is quoting Captain Sekola or giving his present recollection as to what he said.

THE COURT: Are you quoting now or are you telling us what you learned by reason of the conversation?

THE WITNESS: I am not quoting. I am merely stating what Captain Sekola told me.

THE COURT: As a result of your conversation?

THE WITNESS: As a result of our conversation.

Q Regarding the -- regarding Captain Sekola's statement on the first discussion by the company of 31-L did he indicate orhas he indicated to you when that discussio took place?

MR. MANGONE: Could I object to the form of the question?

THE COURT: It is a bad question, yes.

MR. MANGONE: May I have my continuing objection?

THE COURT: It is a bad question. Rephrase your question.

Q Captain Marshall, have you learned from Captain Sekola anything about when the first discussion by the company over 31-L took place --the one that you referred to a moment ag6?

A I don't recall the exact date that these discussions were held, but as I recall, it was sometime

in January that they wanted to delete 31-L entirely.

Q I ask you the same question about the second discussion that CaptainSekola told you about.

A Now, it was sometime in April, shortly after April 15 or 16 that I was again told by Captain Sekola that they wanted to modify 31-L, that would allow a shorter notification for reserve pilots only.

Q Has the pilot group proposed a change in 31-L in negotiations?

A Not to my knowledge.

Q As chairman you would know if that had been done?

A I would know.

Q Now, does the pilot group stand ready or is it willing to continue negotiations with the company over the company's proposal with regards to 31-L?

A I have made repeated offers to negotiate with the company and that offer was made as recently as yesterday morning.

Q And is there any obstacle to negotiations taking place with regard to 31-L?

MR. MANGONE: Your Honor, may I object to the question.

THE COURT: Yes, sustained.

to be called?

A I am not certain that I understand the question.

Q Has any company representative ever discussed with you the question whether a reserve pilot is on duty if he is on a day when he is to be available to be called by the company?

A I will try to answer the question.

I have had several discussions with Mr. Farriss in the past about available days of duty and actual days of duty and I have been told by Mr. Farriss that whenever a pilot is available for duty, but not actually called on a duty assignment, that he is considered a day of rest and not a day of duty.

(Continued on next page.)

Q Now, are you familiar with the application of Section 31-L in practice?

A Yes, I am.

Q And as chairman of the MEC, do you have knowledge of the attitudes or the practices of pilots with regard to the 24-hour rule?

MR. MANGONE: Your Honor, I would object with respect to attitudes and practices.

THE COURT: Yes, I will sustain the objection. It is a bad question. Whatever they may feel about it is immaterial.

MR. ABRAM: The question is with regard to practice.

THE COURT: Custom and practice you may tell us about.

Q Do you know, as chairman, what the practice is as to different pilots with regard to the 24-hour rule?

A I know that some pilots will accept a duty assignment without the 24-hour notification. Some will refuse. Some pilots will accept the duty assignment under protest with the idea of grieving the company's action later on.

Q To your knowledge, as chairman of the MEC, has the company disciplined any pilot who has not taken a trip

with less than 24 hours notice?

MR. MANGONE: Objection to the question, because he is not testifying that there is any particular pilot that refused a trip to his knowledge.

Q Are there any particular pilots that refused a trip on less than 24 hours notice -- reserve pilots -- to your knowledge?

A Ask the question again?

Q Are there any pilots, particular pilots, that you can identify who have refused trips on less than 24 hours notice when the are on reserve?

MR. MANGONE: Available for duty you mean? That is the issue, your Honor.

THE COURT: Yes, available for duty.

Q When they are not on days off, reserve days?

A I am not sure that I understand the question. Will you ask the question again, please?

Q Earlier, a moment ago --

THE COURT: Days off, rest, are set forth in definition?

MR. ABRAM: That's right.

Q A moment ago you said that you knew that some pilots refused trips if there was less than 24 hours notice.

A That is true.

Q Is that right?

A Yes.

Q Do you have any knowledge of any particular pilots?

A I know of a few pilots that will constantly refuse trips --

Q Can you name --

A -- without the 24-hour notification.

Q Can you name any of them?

A Captain Dries is one.

Q What is Captain Dries's position?

A He is captain representative for the local Executive Council NO. 38 here in New York and the chairman for that council.

Q As chairman of the MEC, would you have any knowledge whether Captain Dries has been disciplined because of such refusals?

A Yes, I would.

Q Do you know whether he has been?

A No, he has not.

Q Now, are you familiar with the effects that Pilots' Bulletin 35-75 would have on reserve pilots if it were to be put into effect?

MR. MANGONE: I would object to that question. There has been no foundation laid for the question.

MR. ABRAM: That is why I asked the question, to lay a foundation.

THE COURT: I will allow him to answer.

A I have been told by several reserve pilots --

MR. MANGONE: Would your Honor note my continuing objection to the hearsay nature of the testimony.

THE COURT: Yes.

What were you told?

Q You may answer.

A That it would tend to work an extreme hardship on some of the pilots and would cause certain inconveniences and in some cases a monetary loss and those are the pilots -- the pilots that I am referring to are pilots living great distances away from New York. It would require apartments with temporary quarters of some sort to satisfy pilot bulletin 35-75.

Q To which group of pilots does bulletin 35-75 refer?

A Reserve pilots.

Q On which aircraft?

A DC-8 and DC-10.

Q Is there any procedure by which a reserve pilot on a DC-8 and a DC-10 is available to take himself out of that category at the current time?

A None that I know of.

Q How does a pilot get into the category of reserve pilot on a DC-8 or DC-10?

A By bidding on the equipment from a lower piece of equipment and also a lower status, possibly from a co-pilot to a captain, but in most cases it would be a DC-9 captain coming on the DC-8 as a captain.

Q When was the last bid of that type?

A I do not know the exact date, but it was sometime in the fall of 1974.

Q Do you have some idea or a basis for knowing or being able to predict when the equipment bid would take place again?

A I have no way of knowing that.

Q Now, doyou know -- strike that.

As MEC chairman, would you know whether the company has been forced to cancel any flights because reserve pilots not being available?

A I know of no such instances that they have been required to cancel a flight.

Q With the 24-hour rule in effect, how is the

company able to meet its needs for short-notice flights?

A Simply by calling any pilot that lives in the area. In the case of JFK, I would say any pilot that lives in New York or Connecticut or New Jersey, whether the pilot is on reserve or on line, the company could call anyone.

Q Do you know whether there is any practice by pilots to accept such flights if asked by the company?

A I would say that most pilots will accept the assignment.

THE COURT: Will what?

THE WITNESS: Will accept the assignment.

Q You were about to continue with your answer?

A I said that most pilots would accept the assignment and the reason I had when I accepted such an assignment was that I wanted to assist the company in this emergency situation.

Q When you say "most pilots," are you referring to scheduled pilots as well as reserve pilots?

A Both.

Q Do you recall any instances where you have accepted -- where you have been a scheduled pilot and accepted a flight on less than 24 hours' notice?

A I can recall over the years -- I can't recall the exact dates, but I have accepted flights without sufficient

scheduled reserve line -- and I have bid reserve to be off, free of all duty on those days.

Q Directing your attention to your testimony earlier that there are occasions on which the company needs to put a crew member on an airline where it does not have 24 hours' knowledge that it was going to need to do so, as for example where the scheduled crew member becomes ill. When that happens, what does the company do as a practice? How does it go about filling that slot on the airplane?

A As a practice they will call anyone -- any pilot that is qualified on the equipment as a captain or a co-pilot and assign any pilot to that trip.

The question would be how long it would take the pilot to get to the airport and get to the equipment. To my knowledge no pilot refuses that type of assignment.

Q You are referring to both scheduled holders and reserve-line holders?

A Yes.

Q Have you ever been contacted on your days off as a scheduled line pilot?

A Yes, I have.

Q And what was your response when that happened?

A If I had no personal commitments --

Q I was asking what has been your response when

the company has called you on your days off as a scheduled line holder and asked you to fly?

A If I have no personal commitments, I will accept the assignment.

MR. ABRAM: I have no further questions of Captain Marshall.

CROSS-EXAMINATION

BY MR. MANGONE:

Q Captain Marshall, I would like to discuss for a minute this question of what happens when there is an illness by a pilot. It is now two minutes to twelve in the morning and ONA has a flight scheduled to depart at 3:00 p.m. this evening to Frankfort. It is a DC-3. You are scheduled to fly that flight. You call in sick.

Now, what you are saying is that in order to get another pilot to fly your trip for you, ONA would have to give that pilot 24 hours' notice even though it held a reserve line and today was a day designated as a day he was available for duty?

A That's true.

Q So then if the reserve pilot would say, "I don't want to fly this trip because I do not have 24 hours', notice," and a schedule pilot like yourself had a personal commitment and said, "I don't want to fly the trip," ONA

could not get a pilot to fly that trip under your interpretation of the contract?

A That is true.

Q It couldn't fly the people?

A Yes.

Q You say that is the way Rule 31-L has been applied?

A That is true. I didn't address myself --

Q I asked the question and you answered it and I think that is correct. Your answer is correct; is that right?

A Correct.

Q You mentioned that Captain Dries regularly refuses to fly trips on less than 24 hours' notice?

A I have been told by Captain Dries that this is his practice.

Q Did he tell you that is his practice when he has a reserve line and is scheduled for a day of availability; is that what he told you?

A Yes.

Q You don't have any personal experience of Captain Dries refusing a trip under those circumstances, do you?

A No, I do not.

Q Are there any other pilots that you know of personally who have been on a reserve line on a day designated to be available for duty who have refused a trip on less than 24 hours' notice?

A Not specific --

Q You do not know of a specific instance; is that correct?

A I have been told from time to time that they have done this. This is their policy.

Q You have been told from time to time.

Who told you?

A The pilots themselves.

Q Name a pilot.

A I am sorry; I cannot do that.

Q Can you tell me when you were told these things?

A Over the years between 1968 and the present.

Q You have also said that some pilots in the situation that I have described, they are on reserve, they are scheduled to be available for duty on this day, that will accept a trip on less than 24 hours' notice under protest, with the intention to grieve; is that correct?

A Yes.

Q Which pilots have told you this?

A Again, I do not recall any specific pilots

grieving or taking it under protest. I have been told that this is their policy, that they will accept the trip assignment under protest with the idea of grieving it later on.

Q You do not know of a particular pilot who said, "I will do it under protest and I intend to griev it"?

A No.

Q And you do not know of any grievances filed under these circumstances?

A I know of only mine.

Q And yours was in 1970 or 1971?

A Something like that.

Q Were you on reserve?

A As I recall, I was a line holder and I was on a day of rest.

Q You were not a reserve pilot?

A Not a reserve.

Q You were called under the circumstances of my first hypothetical, the company needed someone to fly a trip on say eight hours' notice and you agreed to be called on less than 24 hours' notice?

A If I had had personal plans and I refused to take the trip and I was told that if I refused it would be cancelled, I would have agreed to take it under protest.

Q You were not holding a reserve line?

A Correct.

Q And you were not holding a reserve line on the day that you were called for duty?

A Correct.

Q So it is not applicable to what we are talking about, reserve pilots?

MR. ABRAM: Objection.

A Whether it is applicable --

THE COURT: Sustained.

Q Do you know of any instances that pilots who are on reserve and scheduled for availability, have accepted trips on less than 24 hours' notice?

A No, I do not have any knowledge.

Q You don't know of any particular instances?

A No, I do not.

Q You testified on direct that some pilots will accept?

A I have been told that.

Q How did you get that information?

A Some of the pilots told me in the past that they'd much rather accept the assignment than to cause the company to cancel a trip.

I am unable now to remember the pilots' names.

Q Do I understand that you were a member of the

THE CLERK: I am sorry.

Q Now, Mr. Starkloff, in Defendant's Exhibit B, states ALPA's position that any pilot, including all reserves, require twenty-four hours notification for every trip assignment, first Section 31-L of the Agreement.

Was that ALPA's position in October, 1973?

A The position of ALPA at that time, before, during and after that time, is, was, still is, that the pilots require a twenty-four hour notification for any duty assignment --

Q All right, now, wasn't it the company's --

MR. MANGONE: I am sorry. Did I interrupt you?

A (continuing) -- by the terms of the contract.

Q Now, wasn't it the company's interpretation of Section 31-L as follows, and I will read from Defendant's Exhibit C, paragraph number third thereof, on page one:

"A pilot bids for reserve duty, and the company will indicate on the reserve line where the reserve duty will be performed: At the domicile, or at any other designated place where the company may have an expectation to need the pilot . . ."

MR. ABRAM: I will object to the question, your Honor. The witness was not Chairman of the actual Executive Council at the time that Exhibit C was written. It

was written to Mr. Veronelli, who was Chairman at the time.

THE COURT: Well, if he can answer it.

MR. MANGONE: If he can answer it, your Honor.

Q (continuing) -- twenty four-hours notice will be given before duty (Section 31-L), but once on duty twenty-four hours notice is not required before a trip or flight."

So far as you know, and you have been a pilot with ONA for several years, including 1973, has that been the company's position with respect to the meaning of Section 31-L of the Collective Bargaining Agreement?

A I don't think so. It certainly is not mine.

Q I didn't ask you whether it was yours. I wanted to know whether that was the company's position?

A I don't know what the company had in mind.

Q Has the company regularly assigned trips to reserve pilots on their available-for-duty days on less than twenty-four hours notice? I believe you testified to that at the prior hearing, is that correct?

A Yes, I did. It is my knowledge that pilots had been given duty assignments with less than twenty-four hours notice.

Q This is pilots holding reserve lines, right?

A Both pilots holding reserve lines, and scheduled

lines of flight.

Q Well, my question refers only to pilots holding reserved lines.

A I have been informed that pilots holding reserved lines of flight have been assigned duty assignements for trips with less than twenty-four hours notice.

Q And they have flown them, is that correct?

A Some pilots have. Some pilots have not.

Q Do you know of any pilot who has not?

A Not specifically. I don't recall names. But I have been told over the years that some pilots have refused.

Q But the company has never wavered from the position as stated in the letter that I just read, which is Defendant's Exhibit C in evidence, is that correct?

A I'm not sure that I can answer that question. I don't know what the company wants them to do, or what they have done in the past.

MR. MANGONE: Thank you very much.

Q Now, when ALPA Bulletin 3575 was published, did you request a meeting with ONA to discuss it?

A Yes, I sent a Telex message to Mr. Starkloff protesting the Bulletin itself, and I did request a meeting.

Q And did ONA agree to have a meeting with you on the 20th of May 1975?

witness on behalf of the Plaintiff, having been first duly Sworn by the Clerk of the Court, took the stand and testified as follows:

THE COURT: This testimony will be new testimony. It is not going to be testimony similar to the previous Captain's testimony.

MR. ABRAM: It is going to be new testimony with respect to his direct involvement in the negotiations.

BY MR. ABRAM:

Q Captain Secola, how long have you been employed by ONA?

A A little over nine years.

Q What is your position in the airline?

A DCA Captain.

Q Do you have a position in the Airline Pilots' Association?

A Yes, Chairman of the Negotiating Committee.

Q Chairman of the Negotiating Committee?

A Yes.

Q How long have you held that position?

A About three and a half, four years.

Q Have there been any negotiations between the company and the pilots over a new Collective Bargaining Agreement?

R2 fls

A Yes, there have been.

Q When did those begin?

A January 3rd of '75.

Q And have you participated in those negotiations on behalf of the pilots?

A Yes, I have.

Q And have you been present at all the sessions of the Negotiating Committee with the company?

A Yes.

Q And have there been any discussions in those negotiations over pilot-notification principles?

A Yes, there have been.

Q And do you recall when those discussions were first held?

A During the opening sessions, January 4th or 5th, approximately.

The company negotiators mentioned that they would like to have that deleted from the contract.

Q What would they like to have deleted?

A Section 31-L.

Q And who stated that?

A Mr. Wagenfeld.

Q Who is Mr. Wagenfeld?

A The company negotiator, and the lawyer for the

company.

Q Who else was present at that session?

A Mr. Starkloff.

Q Now, previous to that time, had you or any other negotiator on behalf of ALPA proposed any change to 31-L?

A No, we never did.

Q Since that time, have you proposed any change in 31-L in any negotiations?

A No, we never did.

Q Now, have there been any subsequent discussions on 31-L? Negotiating sessions?

A Yes. there were, approximately April 15th, I believe it was.

Q And who was present at that session?

A The whole ALPA Negotiating Committee, Mr. Farriss and Mr. Starkloff.

Q And what was said about 31-L?

A Well, the initial remarks that Mr. Farriss had made, that he would like to have it apply only to the scheduled line holders, and not to reserve people.

Q Do you recall about what time of the day it was when he said that?

A It was probably late morning. And then later in the afternoon Mr. Farriss read us a --

MR. ABRAM: Just a moment, please.

Go ahead.

A (continuing) -- read to us a proposal -- It was not a written proposal -- but he read to us to the effect that he would like to have the twenty-four hour rule amended to apply to all pilots while on duty, and to all reserve pilots on their days of duty.

Q And in what way did he want to have it amended for the reserve pilots?

A He wanted a reduced notification period. Something less than twenty-four hours.

Q And did you make any response to that proposal?

A Yes, we rejected it almost out of hand immediately.

Q Did you discuss the type of impact that this would have on the reserve pilots?

A There was some discussion of the hardship it would cause many of our pilots, yes.

THE COURT: Was there any discussion about what the next step would be upon the rejection?

THE WITNESS: No. We did mention the fact that we realized that there was a problem in this area with the company, and that we would, amongst ourselves, try to come up with a scheme to help them out in this area.

THE COURT: Well, it was a question of negotiation,

wasn't it?

THE WITNESS: Yes, that is correct.

THE COURT: Go ahead.

Q Now, after that, did the parties agree that there was any kind of a breakdown in the negotiations at that point?

A I believe it was the next day that we decided that we couldn't get any place in the negotiations, and decided to apply for a mediator.

Q All right. And did you, in connection with that, draw up any list of items that were being submitted?

A Yes, we do have a list of tentatively agreed items, and items that were open, initialed by Mr. Starkloff and the Committee.

Q I would like to show you a document --

MR. ABRAM: I am giving this to counsel for the company.

THE COURT: Mark it for identification.

THE CLERK: So marked, for identification, as Plaintiff's Exhibit 2.

(Document referred to was received and marked Plaintiff's Exhibit 2 for identification.)

Q Captain Secola, can you identify this, please? State what it is?

A Yes. This is a page from the tentative agreemer

that were initialed. It has my initials on it and Mr. Starkloff's.

Q When you say tentative agreements, what are you referring to specifically?

A During negotiations, it is usual to get a tentative agreement on the easy issues in the contract, or the non-economic issues in the contract. That is what we did at this time.

Q Well, was this the list that was drawn up in connection with your application to the Mediation Board?

A Yes, that is correct, it is.

Q Now, were there any items on there as to which you had not reached agreement at that point?

A Yes, this indicates that Sections 31-L and S are still open for negotiations.

Q For what?

A For negotiations.

Q All right. And did the parties thereafter make an application to the Mediation Board to resolve this -- to proceed with your negotiations through the Mediation Board?

A Yes, it is a joint application.

Q And when was that made?

A Approximately around the first of May.

Q And has the National Mediation Board taken any action with regard to that application?

A Well, I'm not sure exactly what the procedure here is. But our council applies to the National Labor Board in Washington for a Mediator, and they put it on --

Q To the Mediation Board?

A Right. To the Mediation Board.

THE COURT: When was this?

THE WITNESS: When was this? I think it was May 1st or 2nd.

THE COURT: When did you suspend your negotiations? Was it May 17th?

THE WITNESS: Yes.

THE COURT: They ran from January to May 17th?

THE WITNESS: That is correct.

THE COURT: Were there any offers or counter-offers with reference to this 31-L, the twenty-four hours, between either management or the pilots themselves?

THE WITNESS: No, they just made one --

THE COURT: Well, what were you doing all this time? If you were negotiating, what were you negotiating? An agreement?

THE WITNESS: Well, this is only one issue in the agreement.

THE COURT: We are only here on one issue, Captain. We are here on the issue of whether the twenty-four hours

Q Does Plaintiff's Exhibit 2 contain a statement that 31 --

MR. MANGONE: Counsel is arguing with his own witness.

MR. ABRAM: I think the witness may not have understood.

THE COURT: He was taking the notes.

Q Was there anything else embodying disagreement on 31-L other than your notes?

A Are you talking about this paper here? It says 31-L is open.

Q What does it mean that it is open?

You may explain that to the Court.

A That means we haven't decided -- We haven't agreed with the company's proposal.

MR. ABRAM: I have no further questions.

THE COURT: Do you have any questions?

MR. MANGONE: Yes, I do.

CROSS EXAMINATION

BY MR. MANGONE:

Q Captain Secola, you mentioned that there would be some difficulty with respect to 31-L if the company would require the pilots to report on less than twenty-four hours notice on their reserve available days?

A Yes.

Q Isn't it a fact that the company has, as a matter of course, called pilots to fly flights on their reserve available duty days on less than twenty-four hours notice, and the pilots have flown those flights?

A Yes.

Q That has been the regular practice of the company?

A Well, let us say they do this, yes.

Q Isn't it true that the company has also taken the position that 31-L did not prevent them from doing that?

A I don't believe that is true.

Q Did the company ever concede that 31-L prevented them from doing it?

A There have been pilots that have refused.

Q Which pilots?

A Mr. Ferriss told me about a pilot in New Jersey.

MR. MANGONE: You can answer, but I think the answer is incompetent.

Q Do you have any personal knowledge of a pilot refusing to accept a flight when he was on reserve available duty?

A No, I don't.

Q To your personal knowledge, pilots who have been called in that circumstance, -- on less than twenty-four hours notice, -- have flown flights?

A Yes.

Q Has there ever been a grievance with respect to a pilot that has flown in that manner?

A I don't know.

Q Can you remember specifically what Mr. Ferriss said with respect to the change in 31-L, not your general recollection of the import, but the specific language that he used?

A Well, I cannot give it to you right at this moment. I have it written down in my briefcase over there, if you want me to get it out? I can read to you what I wrote on my notes.

MR. MANGONE: I have no further questions.

THE COURT: Any questions?

MR. ABRAM: Yes.

REDIRECT EXAMINATION

BY MR. ABRAM:

Q Would you please read back the last two questions?

THE COURT: Does he have a recollection of what Mr. Ferriss said in the negotiations? He said no, it is in his briefcase. I do not understand why you do not remember what he said just a moment ago.

Q Would it refresh your recollection of the statement by Mr. Ferris if you had a chance to look at your notes?

THE COURT: That is what he said. If you get my

notes, I will look at them and tell you what he said.

MR. ABRAM: I would like to offer for identification Plaintiff's Exhibit 3 --

THE COURT: Mark it.

THE CLERK: One-page document, marked for identification as Plaintiff's Exhibit 3.

Q Showing you Plaintiff's Exhibit 3, Captain Secola, which has been marked for identification, would you state what that is, please?

A It is a page from my notes during the negotiations on April 15th.

Q That's in your handwriting?

A Yes, it is.

MR. ABRAM: I would move to have it admitted.

THE COURT: What date is that?

THE WITNESS: April 15th.

THE COURT: You haven't shown its value yet. We do not know if it is related to the question.

MR. ABRAM: There has been no objection to its admission.

THE COURT: He hasn't been asked if he has an objection.

Q Would you look at that document, please, and state what it relates to?

A Section 31 --

THE COURT: After looking at that piece of paper, -- just put it down -- After looking at that piece of paper, does that now refresh your recollection as to what Mr. Ferriss said at that meeting?

THE WITNESS: Yes.

THE COURT: Tell us.

THE WITNESS: I will read it to you.

THE COURT: No, put it down. Tell us.

Q Have you had a chance to read it?

A Let me read it over.

(Pause)

THE COURT: Just answer the question.

Q Does it refresh your memory as to what was said?

A Yes, it does.

Q What did he say?

A When a pilot is on duty, or on reserve duty, notification of less than twenty-four hours may be given, and the company would give consideration to the proper rest being available to the pilot.

Q This was his proposal in the negotiations; is that right?

A That's correct.

Q It was a proposal with regard to 31-L?

A That's correct.

Q What was it going to do as to 31-L? Was it going to keep it the same, or change it?

A It would be a major change in 31-L.

MR. ABRAM: I have no further questions.

THE COURT: All right, you may step down.

MR. MANGONE: Your Honor, I have just one question.

RECROSS EXAMINATION

BY MR. MANGONE:

Q Did Mr. Ferriss indicate why he was proposing that language?

A Yes.

Q Why?

A Because some of our reserve pilots wanted twenty-four hours notification.

Q Did he say that some reserve pilots did not understand that 31-L did not apply, and that he was merely proposing this language so that they would understand they would not be in a position where it would lead to disciplinary action by the company?

A No.

THE COURT: All right, call your next witness.

(continued on next page.)

Notes fl

Ahern - direct

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MR. ABRAM: Capt. Ahern.

T H O M A S E. A H E R N , called as a witness herein, having been first duly sworn by the Clerk of the Court, was examined and testified as follows:

THE CLERK: State your full name.

THE WITNESS: Thomas E. Ahern.

DIRECT EXAMINATION

BY MR. ABRAM:

THE COURT: Will this testimony be new matter or cumulative?

MR. ABRAM: I believe it's new material.

THE COURT: Let's hear it.

MR. ABRAM: But insofar it's repetitive, I think it would have cumulative value. I would like to move a t this point the admission into evidence of Plaintiff's Exhibit 3.

x x

THE COURT: Any objection?

MR. MAGONE: I don't see why it's relevant, but I have no objection. I object on the grounds of relevancy so I can preserve an objection.

THE COURT: I will admit it into evidence to keep the record straight.

THE CLERK: So marked Exhibit 3 in evidence.

Q Capt. Ahern, how long have you been employed by Overseas Airlines?

A Since March the 1st of 1957.

Q You have been a pilot with the company since that time?

A Yes.

Q What is your present position as a pilot?

A I am a captain on the DC10.

Q And what is your number on the seniority list?

A Seven, I think -- seven.

Q Out of about how many pilots?

A I think currently about 150.

Q And have you had any positions in the Master Executive Council for the Airline Pilots Association on ONA?

A Yes.

Q What have you had, what position?

A Well, I have consistantly been Central Scheduling Chairman since about 1967. That has been the main job. I was captain representative for an 18-month period, however, nobody else took over the Central Scheduling function so I kept my finger on that.

Q Before becoming Central Scheduling Chairman, did you have any other scheduling responsibilities?

A Let me clarify my statement. I have been

Central Scheduling Chairman since there was more than one council which was about 1969.

Q More than one local council?

A Yes. Prior to that there was only one and I was the scheduling chairman, therefore, I guess you could say inasmuch as it involved the whole airline, loosely interpreting, I said I had been Central Scheduling since '67.

Q Now, about the time you came to work at ONA in the late fifties --

A Yes.

Q -- could you describe the company's operations in terms of how pilots came to learn about their flights?

A Yes. This was a very small company and I think I was No. 33 on the seniority list when I came to work.

However, every pilot in Overseas National at the time I came to work was what could be termed by today's standards, a standby reserve.

Q What do you mean by that, please?

MR. MANGONE: There is no standby reserve in this contract. It is not a concept that applies at ONA. I object to this line of questioning.

MR. ABRAM: We are talking about the late 1950s. This is very important background.

THE COURT: I don't see why we should go back that far.

MR. ABRAM: It will take only a few minutes.

THE COURT: It has no value what I am to determine here.

MR. ABRAM: If you will like, I will take the opportunity to make an offer of proof.

THE COURT: You need not explain. We are talking about schedule reserve and the 24-hour minimum. That's all.

MR. ABRAM: This is extremely important background. I would like the chance to develop a few questions. It will just take a few minutes.

THE COURT: Ask him.

Q What did you mean by that?

A Sir, excuse me. May I finish answering. I didn't quite finish that one when the objection came along.

THE COURT: It's much easier to let people finish than argue.

THE WITNESS: Every pilot in the company was assigned trips and usually on less than 24 hour notice.

BY MR. ABRAM:

Q All right.

Did there come a time when this changed?

A In 1959, Section 31 -- what is today 31L was

added into the working agreement and --

Q Why?

A The pilots were able to push this 24-hour notification and get it approved by the company on the basis primarily of safety.

We didn't want people to be awake all day long until say six o'clock at night and at six o'clock at night get a three-hour notice to fly an airline for 12 hours.

THE COURT: Was there a three-hour notice at that time?

THE WITNESS: No, there was no notice. You were there at the whims of the scheduler.

THE COURT: You had special negotiations to have it included in the regulation?

THE WITNESS: You can see if a man drinks beer, he can't go three days out of the month with only one and then be called to fly.

The union looked at this as a dangerous practice.

THE COURT: That comes out to the individual.

BY MR. ABRAM:

Q Capt. Ahern, at this time was there a distinction between reserves and scheduled pilots on the airline, was there such a thing as scheduled pilots?

THE COURT: One additional thought.

What's to stop him from drinking for 24 hours?

THE WITNESS: At least theman would know and it would be his own decision.

THE COURT: We are dealing with human nature. Go ahead.

A Section 31L in my opinion --

Q First, the question is this: At the time when 31L came into the contract was there such a thing as a scheduled pilot in ONA?

A No, sir.

Q What was everybody at that time?

A It appeared to me that 31L changed every pilot in the company from a standby reserve with little or no notice to a reserve -- it was no longer on standby. He had to get 24 hours notice.

MR. MANGONE: Objection, not responsive to the question.

THE COURT: That's your opinion.

THE WITNESS: Yes.

MR. MANGONE: I move to strike on the grounds it's not responsive to the question and in addition it's irrelevant and incompetent.

THE COURT: All right.

Q Before 31L came in, there was no notice provision at all for any pilot;is that your testimony?

A Yes, sir.

Q And at that time it was your testimony that pilots were on standby -- all pilots were on standby before 31 L came in; is that right?

A Yes, sir.

Q And when 31 L came in, what happened to the pilots?

A It required 24-hour notification for any trip or duty assignment.

Q Did there come a time when the present system of having --

THE COURT: You are scheduled, aren't you? I understand it's not a scheduled line --

THE WITNESS: It's a charter airline and we know about these charters, some of them, a year, a year and a half in advance.

THE COURT: Groups make them up and you know that you will be at Kennedy Airport at whatever time to wherever it's going to go. You don't need 24 hours for that flight, you might know it a year before?

THE COURT: I don't, the company does.

THE COURT: When are you assigned?

THE WITNESS: We have a monthly schedule.

THE COURT: That's exactly it. I heard that. You are told when you are going to be -- what time your flight is going to take off, and you will come back to a four-day or 12-day rest?

THE WITNESS: Yes.

THE COURT: I don't know what it has to do with this.

BY MR. ABRAM:

Q The monthly line that you receive, does it show the time of the departure if you are a scheduled pilot?

A No.

Q When do you learn the time of departure?

A The comapny scheduler alerts you two, three, four, five days in advance.

THE COURT: You could find that out. You could even look at the brochure.

THE WITNESS: We don't get that.

THE COURT: It's not a big secret that you are leaving four o'clock in the afternoon. No big secret.

THE WITNESS: No.

Q Capt. Ahern, when Section 31 L, what is now

31 L, came into the contract,you said it was 1959?

A Yes, sir.

Q At that time where were you living?

A I was living in Sparta, New Jersey, based at Kennedy.

MR. MANGONE , Your Honor -- is this relevant?

THE COURT: That was his choice. He can live wherever he wants, as long as he could get there to fly.

I don't have a choice where I can live, but he has.

Q Did the company change its base from Kennedy at any time after 1959?

A The company won a big military contract on the Pacific and two-thirds of all the pilots then had an equipment base in Oakland,California.

I was bid and awarded that base.

Q Did you change your residence from New Jersey?

A Yes.

Q Where did you go to?

THE COURT: Was that bid on the basis of your seniority?

THE WITNESS: Yes.

Q Where did you move to?

A I moved to Walnut Creek, California.

Q What year was that?

A 1959.

Q And your equipment base was in California at that time, as well?

A Oakland, yes.

Q Did there come a time when your equipment base moved from California?

A D 63.

Q Where did it move?

A 1962 to Baltimore, Maryland.

Q Did you move your home from California at that time?

A No, sir.

Q And why were you able to --

A May I make a statement? I may be incorrect on that,whether at that particular date -- at one time I had a Baltimore base, whether it was at that time that the move was from Oakland to a new base at Baltimore and then just a few months later to Kennedy or whether the move was directly from Oakland to Kennedy--I would like to withdraw the reference to Baltimore.

My base was moved from Oakland, California to Kennedy, New York in '63.

Q Did you move your home?

A Yes, sir, -- no, sir.

THE COURT: While you were based in Oakland or lived in Oakland and your equipment was at Kennedy, how many times were you called upon to fly these reserve flights?

THE WITNESS: Your Honor, more than half our business was in the Pacific, and sometimes for many months I didn't even need to come to New York. I was flying out of Travis Airforce Base about 30 miles away.

Other times the company would find a great majority of their business was in the Atlantic and then perhaps I would have to commute three times a month.

BY MR. ABRAM:

Q When that happened, how did it happen that you were able to get to your flights on time from California to Kennedy?

A I received 24 hour notification or thereabouts.

THE COURT: It could have been less?

THE COURT: 22 is essentially the same, sir.

Q Now, did there come a time when the company instituted scheduled pilots -- scheduled lines as well as reserve lines?

A We, in 1967 and 1968 began talking about stabilizing our scheduling and putting some trial bid lines, we put together some trial scheduling rules and evolved a system that fit our company.

Q Were you chairman of scheduling for the pilots at that time?

A Yes.

Q Were you involved in devloping this system with the company?

A I had schedule rules from 13 or 14 airlines and I actually authored the rules that we came up with. I did not do a good job, they were revised eleven times before they went into effect by mutual agreement.

Q How did they go into effect, or was there such a thing as a scheduling policy that went into effect?

A We finished the contract --

Q What contract?

A The working agreement I believe, of 1968, that provided there be a schedule policy, we developed that scheduling policy and I got Mr.Starkloff's signature on that scheduling policy out at a bar in Long Beach, New York, and then brought it back and got the approval of our MEC chairmen which put the scheduling policy into effect.

MR. MANGONE: I would object to this line of

question. Capt. Marshall testified the only agreement in effect is the collective bargaining agreement and there is no other agreement.

MR. ABRAM: The only.--

THE COURT: I think we have enough background. Let's find out if he knows a little more about it.

MR. ABRAM: There is a little more background.

THE COURT: You don't need it.

MR. ABRAM: I would like to make an offer of proof. I think I am proceeding extremely quickly. I feel I am under tremendous pressure --

THE COURT: You can proceed as fast as you want but if it's irrelevant --

MR. ABRAM: The reason it's relevant, when the scheduling system came in the old reserve system was left the way it was. It was agreed at that time that any scheduling rules would be negotiated between the parties and that has been the case ever since.

I want to get that into the record.

THE COURT: And also show that the pilots were negotiating this 31 L --

MR. ABRAM: To make it more feasible.

THE COURT: That's the only reason we are here.

MR. ABRAM: The company did it unilaterally,

rather than wait for the negotiation to be completed. That's why we are here.

MR. MANGONE: The only issue in the case is whether 31 L allows the company to do what it has done.

THE COURT: And whether it's a major or minor -- go ahead.

MR. ABRAM: I would like to have marked as an exhibit excerpts from the 1968 agreement that has been referred to.

MR. MANGONE: Is this being marked for identification?

MR. ABRAM: Yes, of course.

MR. MANGONE: Just for the record, I would object, when it is offered into evidence.

THE COURT: Any piece of paper can be marked.

MR. ABRAM: I have given a copy to counsel for the company.

THE CLERK: Several-page document marked for identification as Plaintiff's Exhibit 4.

xxx (So marked.)

MR. MANGONE: May I have a voir dire on this? Is this an exceprt or the entire agreement?

MR. ABRAM: It's an excerpt, as I stated.

DIRECT EXAMINATION

BY MR. ABRAM: (Cont.)

Q I would like you to state what it is. I am showing you Plaintiff's Exhibit 4 marked for identification.

A It says 1968 on the front of this, pencilled in, and Section 5, Hours of Service, and Section 32.

Q Are these excerpts from the 1968 agreement?

A They appear to be.

MR. ABRAM: I would move they are admitted into evidence.

MR. MANGONE: I object on the ground previously stated.

THE COURT: I will sustain the objection as they are being admitted into evidence.

MR. ABRAM: They will not be?

THE COURT: Yes.

MR. ABRAM: What is the basis of the ruling?

THE COURT: If you don't know, I can't tell you. Carry on.

MR. ABRAM: I will take an exception for the Court not stating the objection.

Q I refer your attention to page 17, following page 16.

A Okay.

MR. MANGONE: I object to this entire line of questioning because this agreement is not the one that is in dispute.

THE COURT: Yes, I will sustain the objection.

MR. ABRAM: As to the what, your Honor, the entire line of questioning?

THE COURT: To your questioning as to this page from the agreement.

I will not go into a prior agreement of 1968. I have one before me of July 1st, 1973 to '75 and that is all.

BY MR. ABRAM:

Q Capt. Ahern, did the company and the pilots agree that there would be a master scheduling policy agreed on between the parties in 1968 --

A That's true.

MR. MANGONE: Objection, your Honor.

THE COURT: I will sustain it.

MR. ABRAM: Your Honor, the company in its affadavits --

THE COURT I will take no statements on it. I will sustain it and you may take an exception to it.

MR. ABRAM: You are not going to allow me to explain or state an argument on the proposal?

THE COURT: At this point I am curtailing you, for the record.

BY MR. ABRAM:

Q Capt. Ahern, has the company and the pilots at any time agreed on local scheduling rules to be in effect for the pilot group.

MR. MANGONE: Your Honor, I would like the question related whether they have been agreed upon under the present agreement. If not, I object to it as irrelevant.

Capt. Marshall said there is one agreement and that is the one marked in evidence.

THE COURT: We will take a short recess at this point.

You may step down.

(Recess taken.)

(continued next page.)

T H O M A S A H E R N , having been previously duly Sworn, testified further as follows:

THE COURT: All right.

DIRECT EXAMINATION

BY MR. ABRAM: (continued)

Q Captain Ahern, referring to the present agreement in effect between the pilots and ONA, Plaintiff's Exhibit 1, is there anything in that agreement which provides, which refers to local scheduling rules, and how they will be promulgated?

MR. MANGONE: Your Honor, I am sure there is, but the importance of this hearing is Section 31-L.

THE COURT: Well, maybe it's faster this way.

MR. MANGONE: All right. I will withdraw the objection. But it is not moving this trial in a proper manner to get involved in side issues.

MR. ABRAM: It is not a side issue.

THE COURT: All right, don't argue.

Q Answer the question, please.

A Section 5-H-11 and 5-H-12, I believe, provide for local scheduling rules.

Q Do they provide the manner in which those rules will come about?

A Always by mutual agreement.

Q All right. And as Chairman of the Central Schedul-

ing -- the Chairman for ONA pilots, did you have any discussions with ONA representatives on new or on local scheduling rules under the current agreement?

A Yes. Mr. Starkloff -- immediately after the signing of the agreement, Mr. Starkloff wrote a letter to me requesting that we modify the previous schedule rules. Update them, I believe was his term. Modify and update to conform with the new agreement.

MR. ABRAM: I'd like to have marked for identification Plaintiff's Exhibit 5, a three-page document.

THE CLERK: Three-page document, marked for identification as Plaintiff's Exhibit 5.

MR. ABRAM: Now, the first page of this document purports to be a letter from Mr. Bailey, who is President of ONA, to Captain Ahern, and it has attached to it a letter of July 13, 1973, from Malcolm Starkloff, Vice President of the company, to the Airline Pilots Association, Master Executive Council.

THE COURT: May I ask you a question? Did you -- At any time during this period of negotiations, were you involved in the negotiations at all from January to May 15?

THE WITNESS: No, sir.

THE COURT: All right Did you talk to anyone

that was involved in the negotiations from January to May 15th?

THE WITNESS: Your Honor, I am sure I have. But I don't know that I did concerning the negotiations.

THE COURT: Did you have any discussions with any pilots, or anyone who had anything to do with the negotiations as to any reasonable solution to this 31-L problem?

Now, you have been around a long time?

THE WITNESS: Yes.

THE COURT: Okay. So that makes two of us.

So now, what I want to know is, Did you at any time have any discussions with any of the pilots as to a reasonable solution that could be reached in this matter without all of this business of injunctive relief, and going to Mediation, and so forth?

There must be a reasonable answer to it.

THE WITNESS: I did. But I cannot --

THE COURT: I won't hold you to any promises. I won't base my opinion on what you tell me.

THE WITNESS: I can give you the general gist of the conversations I have had. I find it difficult to name who --

THE COURT: I know.

THE WITNESS: Mr. Secola was one. I did express

some very definite opinions . And those opinions -- if you wish me to state them --

THE COURT: Yes. All right. I won't hold you to them.

THE WITNESS: The company, previously, with our Electra Aircraft, have engaged in what is called Call Business. This is very short-term notice business. The only way that the company was able to operate that business, that Call Business, was to have a standby setup.

Our contract, and our schedule rules, didn't provide for it. But by mutual agreement, the pilots wanted to do it. And obviously, the company needed it, or otherwise, they couldn't derive any benefits. So we modified the Electra scheduling rules to provide for such language. And we later made an interpretation, broadening that even further, because we picked up what is called Auto Wear. This is Auto Parts, flown out of Detroit, Michigan, to some assembly plant, say, at Atlanta or somewhere. That's running generators. And we have to have generators or shut down the production lines. It is very short-notice business.

We let an Electra pilot, say, based at Dayton, Ohio, not only be on standby, but we let them do it at Detroit, Michigan, to allow this type of business.

Now, we later had a need for a standby system at -- on our DC-9 equipment. The pilots immediately came up with a proposal which would allow the company to do this.

Now, you understand, your Honor, we are shading the interpretations, because 31-L says you will have twenty-four hours notice. But if we do this, we deny revenue to our company. And we like our jobs. Okay.

The company --

THE COURT: This was more or less in the nature of an emergency type flight? Generators.

THE WITNESS: But a continuing emergency, if you're going to carry the auto parts.

THE COURT: To your benefit, in any event.

THE WITNESS: It certainly was beneficial to the pilots, and a benefit to the company.

THE COURT: All right.

THE WITNESS: Now, when the company came up with the proposal that we allow standbys on all equipment in the company -- Now, they want to broaden what we have given on the Electra, and what we have offered on the DC-9, and they would like to see this on all equipment, which I can readily understand.

MR. MANGONE: Your Honor, can I ask him -- Could you ask him when did the company come up with this pro-

posal.

THE COURT: Yes. Do you know when?

THE WITNESS: On August 15th of 1973, at a meeting in Mr. Ferriss' office.

THE COURT: Was this after these rules had been promulgated? Because these rules were enacted and adopted and accepted --

MR. ABRAM: This was after the contract. This was my next question. This was the line of questioning--

THE WITNESS: This was immediately following the signing --

THE COURT: Of this contract?

THE WITNESS: Right. Mr. Starkloff asked for a meeting. We had a meeting. And at the meeting, Mr. Ferriss indicated that while most of the local scheduling rules were accepted, he would like some changes. And he enumerated some of these changes, and one of which was to have a standby system where the company could have reserve pilots on standby at their home, at their base, or at any other point designated by the company.

In my letter of October 4th, after a conference with M. E. C. --

MR. ABRAM: That's Defendant's Exhibit B.

THE WITNESS: I just wasn't qualified to do this,

because it had many implications in it, including a temporary base, and so on.

Understand that one of my reasons that I had to -- I proposed it on for DC-9's, but I am -- now I am saying I can't do it for DC-8's, is the fact that, for instance, having an Electra pilot based at Dayton, Ohio, and standby in Detroit, he could drive there in less time than it takes me to drive to this court house. But the DC-8 pilot, possibly living in California, and based in Kennedy, under this rule extended, could be on standby in Indonesia, for example, and the company, I believe, is thinking of exactly that. Because that's where we will be this coming winter.

THE COURT: So that's why the rule with the -- the twenty-four hour minimum rule, is necessary?

THE WITNESS: I think that if it's going to change, certainly it's got to be negotiated, and take these things into consideration.

THE COURT: Now, that was my next question. Assuming the negotiations -- and you seem like a person who's had some involvement over the years -- Assuming reasonable negotiations should be continued, is there an area in which you would consider reasonable under the circumstances that the contract in and of itself

could come up with some other limitation of time other than the twenty-four hour rule which the pilots could live with?

THE WITNESS: Absolutely. Your Honor, may I state --

THE COURT: Go ahead. I'm not going to hold you to anything.

THE WITNESS: I'm sure that Mr. Ferriss will back me up right to the hilt on this.

THE COURT: I am not concerned -- I tell you, I am merely asking for an opinion at this point.

THE WITNESS: I am a great proponent of a standby reserve system in Overseas National. And I can show correspondence back as early as perhaps 1967 or '68. I know it was proposed for the negotiations for that 1968 contract, that we must establish a system of standby reserve, and that I can see no way that any airline can operate without having someone that you can get in a hurry when you have that need.

But we need a set of working conditions, and a rate of pay for it.

THE COURT: Well, in other words, the economics void the reasonableness of the rule, then? Because if the -- Because you're talking about setting up a pay

schedule that will somehow compensate them for the stand-by situation if they find themselves --

THE WITNESS: Your Honor, understand that the Air Line Pilots Association has a monopoly on Overseas National pilots. If ONA has a tremendous need to have a system where they have pilots available on a one-hour basis, they cannot go out and hire some other pilots who will agree to do this if ALPA does not. This is a product that Overseas National, if it needs, is going to need to buy. And when you negotiate something -- It's unlike a Bulletin, where you say, Thou shalt do this.

THE COURT: How many pilots are there in ONA?

THE WITNESS: About 150, sir.

THE COURT: How many pilots would you need on standby?

THE WITNESS: I am sure --

THE COURT: Special circumstances?

THE WITNESS: It's extremely a variable from time to time.

THE COURT: Well, on a variable situation, would it be twenty, fifteen, eighteen, thirty, out of 150? How many pilots are flying at any one time? How many pilots are flying on a charter flight?

THE COURT: You're right there.

MR. MANGONE: That is -- can I ask him a question now with respect to what he said.

THE COURT: Yes.

CROSS-EXAMINATION

BY MR. MANGONE:

Q Once you're on duty, do you need 24 hours under 31L to be signed to a flight?

THE COURT: What kind of a duty?

MR. MANGONE: All right.

Q I will give you a hypothetical situation. You're on duty and you fly a trip to Rome. You have a 48 hour layover, right? Or, say, you have -- well, 24 hours later you get your legal rest.

A I begin on the trip when I sign in.

Q In New York?

A At my home base, New York.

Q And you have a 48 hour layover?

A Now I am working. Once I am working I don't need 24 hours.

Q So once you're on duty, you don't need 24 hours notice to fly a trip?

A Once I'm on a trip schedule.

Q Once you're on duty?

MR. ABRAM: I object. He's arguing.

MR. MANGONE: No.

Q My question is, once you are --

THE COURT: He's talking about duty.

Q Once you're on duty; is that correct?

A Yes.

Q You don't need 24 hours to -- 24 hours to fly a trip?

MR. ABRAM: OBjection.

THE WITNESS: That is incorrect. I might be on duty in the simulator, a training --

THE COURT: Right.

THE WITNESS: -- operation or a check ride. I then would still need notification for a trip.

Q What is you are on a trip and you fly to Rome -- right? You're scheduled for an 18 hour layover. Is that legal rest?

A I would presume so.

Q What is legal rest on a layover on that sort? Say you have an 18 layover and you're scheduled to leave Tome 12 hours later to fly to Zurich? So instead of 18 hours or 19 hours, you're supposed to fly to Rome and they change the flight on you. Is that allowable on the 31L?

A 31L is not in the picture.

Q You didn't need 24 hours notice to pick up the trip from London to Rome which replaced your trip from London to Zurich; is that correct?

A So long as I have signed my name and gone onto duty with the company.

THE COURT: I understand what he is doing.

THE WITNESS: I am working and anything goes from there on.

MR. MANGONE: All right, I don't have any further cross-examination with him at this time.

THE COURT: I think you can step down.

THE WITNESS: Thank you.

(Witness excused.)

MR. ABRAM: Your Honor, for the record, I would like to say that I had not completed my direct. And if it appears necessary to continue, I would like that opportunity.

THE COURT: If it appears that way.

All right, do you have a witness?

MR. MANGONE: Would you like to hear -- to cut this short, I have prepared an affidavit of Mr. Waring's affirmative testimony so that we could proceed directly to cross-examination. I would like to submit his direct. And then I will ask him about --

MR. ABRAM: Is that right? He will be explaining the Jedda situation. What Captain Ahern was referring to was a situation where one has already signed in and he's on duty from that time on out.

MR. MELDAHL: A trip. A series of flights.

MR. MANGONE: Can we stipulate that he is sworn.

THE COURT: All right, just a moment.

R I C H A R D M E L D A H L : called as a witness, being duly sworn by the Clerk of the Court, testified as follows:

THE COURT: All right. If you feel more comfortable, you may sit down.

Just tell me -- now that you have heard what the attorneys have said -- as far as the month of January, will you explain, if you can, what you know about that.

MR. MANGONE: Well, I would like him to enter that question..

THE COURT: He is going to.

MR. MANGONE: Was he on reserve in January, '75?

THE COURT: Were you?

THE WITNESS: Yes.

EXAMINATION BY

MR. MANGONE:

Q DC 8's, Captain?

A Yes.

Q Were you positioned with Jedda?

A In December. Not January.

Q But when you were on reserve in January, '75. Were you assigned and did you fly trips?

A You're talking about trips in flights and they are two different things. A trip is one thing and a flight is something else.

Q Were you assigned?

THE COURT: All right. What do you say a trip is?

A A trip is a series of lights for positioning. They are packaged together. It can be one or two days duration. It can be two or three weeks duration.

Q Were you assigned a flight on less than 24 hours notice?

A Did you fly the flight? Out of Jedda.

Q Did this occur several times during the month of January?

A It occurred constantly.

Q Did you agree?

A Negative.

Q Did it violate 31L?

A Negative.

MR. MANGONE: No further questions.

EXAMINATION BY

MR. ABRAM:

Q You say it did not violate 31L?

A No.

Q So you were -- these were glights that we were already on a trip. You were on a trip?.

A Yes.

Q Now, the entire time you were in Jedda, were you on a trip?

A Yes.

Q And the trip is constituted within the meaning of 31L?

A That's true.

THE COURT: As he interprets it.

THE WITNESS: Yes.

MR. ABRAM: All right.

THE COURT: He's interpreting it as a pilot.

(Continued on next page)

JB:GA
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Q And does 31-L require twenty-four hours before a trip, or before a flight?

A It requires twenty-four hours notice before a trip, not before a flight.

Q All right.

MR. ABRAM: Now, I have --

THE COURT: All right, that's all. What do you want to do now? Do you want to go back to the background, and all of that? What for? This is only a hearing for injunctive relief. This is not a trial. A trial is much different than this. In a trial you go through the entire ritual.

You're suppose when you believe you've had enough examination of your witness to have sustained a position for injunctive relief. If you're going to need to bring in another 4,000, then we're going to have trouble.

MR. ABRAM: Your Honor, if I -- I would just like to consider what you have just stated to me.

Your Honor, this witness has a -- He's a pilot who lives in California, and who is on reserve. He's in a position to testify directly as to the effect that the Pilot Bulletin would have on him, and similarly the reserve --

THE COURT: All right. I just want to --

MR. MANGONE: I just want to ask one question.

THE COURT: Just a moment.

Would it be a hardship on you if you received less than twenty-four hours notice?

MR. ABRAM: It is not merely receiving it. It's being required to stay in Kennedy within three hours driving distance of Kennedy.

THE WITNESS: Yes, less than twenty-four hours would be a hardship. This does not mean that I could not be in position in Kennedy in less than twenty-four hours. I can't say I couldn't be twenty-three and a half or twenty-three, but three hours is impossible from California to Kennedy.

THE COURT: We all recognize that.

THE WITNESS: Also, I have been asked to -- asked by the company on many occasions to take trips originating in San Francisco, and not in Kennedy. And I have only one flight this year originating in Kennedy. And I have several that have originated in San Francisco. So my availability to the company is better by my record by living in San Francisco, than it is by living and being within three hours of the New York office.

THE COURT: All right.

MR. ABRAM: May I, your Honor?

EXAMINATION BY

MR. ABRAM: (continued)

Q Is there a minimum number of -- Does the contract refer to the number of days of rest in a quarter that a pilot is supposed to have?

A Yes.

Q What does the contract say?

A Thirty-six.

Q Days of rest per quarter?

A That's correct.

Q And in the last six months, how many months have you been on reserve, holding a reserved line?

A Probably about four of the six months, I would guess. I can't say for sure. The majority of the time.

Q And in this period of time, on days that you are at home, -- that is, days that you are available to be called by the company to fly their flights, and assuming further that they are days that you have not been called, but you are available, but you are not called, and you did not fly either that day or the next day because of that, were those days counted by the company as days of rest, or as days of duty, for purpose of continuing the minimum days of rest?

A They were counted as days of rest by the company.

(continued on next page.)

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Q Now, is there any provision in the contract that reflects a pilot who is on duty, away from his equipment domicile -- By the way, where is your equipment domicile?

A New York.

Q And you live in California?

A Yes.

Q And if he is away from his equipment domicile, is he entitled to certain compensation?

A Yes.

Q What would that be?

A Per diem at the regular contractual rate.

Q On days that you are available to be called by the company as a reserve pilot, are you generally at home?

A Yes.

Q Where is that, San Francisco Bay Area?

A Yes.

Q On those days, do you receive this per diem?

A No, I do not.

Q Were you present in the negotiations on April 15th that were previously referred to?

A Yes.

Q Did you hear Mr. Ferriss state anything with regard to 31-L?

A Yes.

Q What did you hear him say?

A Mr. Ferriss stated that they felt it would be necessary for the twenty-four hour notification rule to be reduced. He also did not state as to what it needed to be reduced to.

At that time I said, "Mr. Ferris, it would be absolutely prohibitive for me, living in California, to have less than twenty-four hours notice if they needed me out of New York. It would not necessarily be true if they needed me out of San Francisco, but out of New York, I would need twenty-four hours notice."

Mr. Ferriss said, "We have some pilots who demand twenty-four hours notice before they will begin moving from their home to position themselves for a flight."

I told --

Q Is that consistent with 31-L, that practice?

A No, I do not believe that it is.

I told Mr. Ferriss that I am a member of the Professional Standards Committee of the Air Line Pilots Association of Overseas National, and if you have problems of this nature, would you please turn them over to our Professional Standards Committee, and we will try to handle those problems. Just document them."

He did not respond to that, and he further said

"I would not ask you in an impossible situation to position yourself in New York. I would not ask you to position yourself in New York without adequate rest."

I said, "Fine, Mr. Ferris, let's put that into writing."

He said, "No." that he didn't want to do that, and that was the end of the conversation.

Q As a reserve pilot -- Strike that.

How long have you lived in the San Francisco Bay Area?

A Approximately nine years.

Q Has any company representative ever told you before Pilot Bulletin 35-75 where you could spend your days of reservability?

A No.

Q And you were present at the negotiations on April 15?

A Yes.

Q And are you a member of the Negotiating Committee?

A Yes.

Q I am showing you ALPA Exhibit number 2, where it refers to Section 31-L as being open.

A Yes.

Q There are some initials off to the side?

A Yes.

Q Whose are those?

A The first one is Ted Secola. The second one is Malcolm Starkloff. The third one is Bernie Keagan --

Q Who is he?

A ALPA Professional Assistant for our Negotiations -- ALPA Negotiations, assisting us.

The fourth is Bill Holiday, and the last one is mine.

Q Who is Malcolm Starkloff?

A He is the Vice President of Operations of Overseas National.

Q In 1975, do you recall any instances where you have been on days off reservability, where the company has called you on less than twenty-four hours notice to take a trip leaving from Kennedy Airport?

A No.

MR. ABRAM: I have no further questions at this time.

CROSS EXAMINATION

BY MR. MANGONE:

Q Captain Meldahl, you live in San Francisco; is that correct?

A I live in the San Francisco Bay Area.

a schedule of the flights.

MR. ABRAM: That's the Waring Affidavit. He is submitting two Affidavits.

THE COURT: The other one, I have not looked at.

MR. MANGONE: I will hand the Court a copy of the Ferriss Affidavit, which would be his direct testimony. I would like to put Mr. Ferriss on.

THE COURT: Just for that limited purpose.

MR. MANGONE: Just to supplement his testimony with respect to the April 15th negotiations.

L E S T E R R . F E R R I S S , J R . , having been first duly Sworn by the Clerk of the Court, testified as follows:

THE CLERK: State your full name.

THE WITNESS: Lester R. Ferriss, Jr.

DIRECT EXAMINATION

BY MR. MANGONE:

Q Mr. Ferriss, were you present at the negotiating session of April 15, 1975, which had been referred to earlier this morning in the testimony of the Plaintiff's witnesses?

A I was present during the morning of that date.

Q At that time, did you propose that additional language be added to Section 31-L of the current agreement?

A I did.

MR. ABRAM: I will object to the leading by counsel

Let him state what he said.

MR. MANGONE: I did not ask him what he said yet.

MR. ABRAM: You are proposing his testimony.

THE COURT: He knows his testimony. You know it, too. You just received it.

Q Mr. Ferriss, can you tell us how you came to propose that additional language?

A I can.

We had been reviewing items in the contract. It was apparent that we had come to a deadlock on the economic considerations, and we were reviewing random other areas of the contract where we might want to have minor changes, or proposals to be considered, and one of the Sections was Section 31, the general section. We came to 31-L, and I recall that Mr. Robert Waring, our Supervisor of Cruize Scheduling in Wilmington, had recently informed me that one pilot had questioned whether he had to take a flight with less than twenty-four hours notice, when he was on duty as a reserve pilot.

Q Was this pilot First Officer Gregory as referred to in the Affidavit of Mr. Waring that was just handed up today?

A Yes, it was.

The incident occurred on the 25th of February, 1975.

Mr. Gregory was directed to take the flight,

and having recalled the incident, I described it to the pilot group at the negotiating meeting, and reaffirmed to them, as they knew, that it was the historic long-standing policy and practice of the company that Section 31-L applied only to calling a pilot on duty, and that once he was on duty for any notification for a flight, he did not have to receive twenty-four hours notice, and there could be less than twenty-four hours notice.

I pointed out, however, that if one pilot had questioned it, and if Mr. Gregory had persisted and refused to take the flight, we would have disciplined him, and it might have been wise to make certain that the company and the individual did not go through the unpleasant process of a disciplinary action because of a misinterpretation of Section 31-L.

I then suggested that in order that this not occur, an additional sentence be added to 31-L, a sentence, which would in effect say, "When on duty, a pilot on reserve or other duty, may not have twenty-four hours notification for flight duty, but that consideration would be given to assure that adequate rest was provided before the flight."

That did not change the first sentence in the current Section 31-L. It was to make certain that the unpleasantness of disciplinary action did not arise because of a mis-

interpretation. I reaffirmed the company's long-standing position and practice that when on duty, twenty-four hours notification would not necessarily be given before a flight.

MR. MANGONE: Your Honor, I have no further questions.

THE COURT: Did anyone ever suggest twenty-four hours would not be given, but notice less than four hours, eight hours, ten hours?

THE WITNESS: Yes, your Honor.

THE COURT: What was the minimum not less than?

THE WITNESS: The minimum was not less than one hour.

THE COURT: That wouldn't have been too reasonable.

THE WITNESS: We did not consider it to be reasonable.

THE COURT: It takes me longer to get to this Court, and I live on Staten Island. That would not be reasonable.

THE WITNESS: That would not be reasonable.

THE COURT: Was there any reasonable not less than?

THE WITNESS: We considered twelve hours, we considered three hours, and this is three hours to arrive for a show time, which is five hours prior to a flight.

THE COURT: I hate to sound like the Mediator down the middle, but to me twelve hours seems to be the right number.

MR. MANGONE: That's obviously a negotiating point.

THE COURT: To me it seems to me to be the right number. I do not see where the difficulty is. You can go an awfully long distance in twelve hours, even with an automobile, provided you do not get on the East River Drive.

MR. MANGONE: If you recollect the hypothetical yesterday, twelve hours would not have been sufficient.

THE COURT: Is there any chance of your accepting that type of mediation? It is not unreasonable. It is a reasonable stand.

MR. MANGONE: Your HOnor, that's an issue to be settled by negotiation between the parties.

THE COURT: Why can't you say yes or no now? You all know what you are talking about. You all know what you are looking for.

MR. MANGONE: Your HOnor --

THE COURT: I am not going to force you into it.

MR. MANGONE: With respect to the authors of the Affidavit, as I said, I was trying to comply with your

Honor's request to move the hearing along promptly. I offer them. I have not heard from the other side whether or not these Affidavits are acceptable, and he can cross-examine on the statements made, as well as the prior Affidavit.

I will now give counsel for the Plaintiff another copy, although he already has one, and I will have this earlier Affidavit marked --

THE COURT: I have it here.

MR. MANGONE: -- as his direct testimony in the case. This will be his direct testimony.

THE COURT: If this were his testimony, will counsel for the Plaintiff accept it?

If you want to cross-examine, I will let you.

MR. ABRAM: Your Honor, I understand that the Court is allowing defense counsel to provide direct testimony through Affidavits --

THE COURT: It is only a hearing.

MR. MANGONE: The person is available for cross-examination.

MR. ABRAM: I am making a statement that I am about to proceed with my cross-examination of Mr. Ferriss and I intend to cross-examine Mr. Waring as soon as I have had an opportunity to read and study his Affidavit

THE COURT: If that is the case, then we will adjourn this matter. I have been out on the bench here a long time. I was here all last evening. I have other matters that I must take care of. I will adjourn this matter until Tuesday morning, without any injunctive relief at this time.

Hearing continued until Tuesday morning. Everyone here Tuesday morning. There is no stay at this point.

MR. MANGONE: Thank you.

MR. ABRAM: May we take our exception.

THE COURT: That's why I sit here.

MR. ABRAM: He made a statement that the stay would be in effect until a decision was made --

THE COURT: I am not a scheduled air line or a non-scheduled air line, I am just a Judge in this court. Tuesday morning.

THE CLERK: Defendant's Exhibit D, Affidavit of Robert G. Waring, now marked in evidence.

Defendant's Exhibit E, Affidavit of Lester R. Ferriss, marked in evidence.

* * *

EK:jm
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THE CLERK: Air Line Pilots Association versus Overseas National Airways.

THE COURT: All right.

MR. MANGONE: Your Honor, Mr. Ferriss was on the stand at the close of the last hearing.

THE COURT: Yes.

L E S T E R R. F E R R I S S , called as a witness, having been previously duly sworn by the Clerk of the Court, resumed the witness stand and testified further as follows:

MR. ABRAM: Your Honor, before I proceed, I will proceed with my cross-examination of Mr. Ferriss and then I would like the opportunity to cross-examine Mr. Warring on the basis of his affidavit, and then I may have one rebuttal witness.

Your Honor, I would like to move the admission of Plaintiff's Exhibits 2 and 5, which were identified on Friday, but I did not move their admission at that time.

Now, Exhibit 2 is the agenda of open items in the mediation, Exhibit 5 was a set of letters in 1973, part of which is already in evidence.

MR. MANGONE: I am not clear, your Honor, as to what Exhibit 5 is.

We have no objection to Plaintiff's Exhibit 2,

Ferriss

but I have no idea of what Plaintiff's Exhibit 5 is and I would like to clarify it.

What is Plaintiff's Exhibit 5?

MR. ABRAM: Plaintiff's Exhibit 5 is the series of letters which -- well, a part of which you already put in evidence, but I want to put them all in.

MR. MANGONE: May I check with you.

Has it been marked for identification?

MR. ABRAM: Yes, according to my records.

THE CLERK: Here it is (indicating).

MR. ABRAM: This is the letter from Bailey to Ahern, I believe my transcript shows it as being marked for identification on Friday.

MR. MANGONE: It is a three-page letter, I have a copy.

MR. ABRAM: All right.

MR. MANGONE: It is actually a series of two letters then, is that correct?

MR. ABRAM: It is a letter with an attachment, an attached letter which was a part of the first letter.

Do you have any objection?

MR. MANGONE: No.

Ferriss

THE COURT: All right, 2 and 5 received in evidence.

THE CLERK: So marked, Defendant's Exhibits Two and Five, in evidence.

(So marked.)

CROSS-EXAMINATION

BY MR. ABRAM:

Q Mr. Ferriss, how long have you been employed by ONA?

A Since September 1, 1970.

Q You were not employed at ONA when the present system of having scheduled lines was added to the reserve line system, is that right -- to the reserve system?

A If it occurred prior to the date I said, I was not with them.

Q And what was your employment before you came to ONA?

A I was a member of the United States Air Force.

Q What was your rank?

A Colonel.

Q And I believe you stated in your second affidavit that Dc-8 and Dc-10 pilots who hold reserve lines have traditionally been permitted to perform their days of reserve availability at their residence; is that right?

Ferriss-cross

MR. MANGONE: Your Honor --

MR. ABRAM: Well --

MR. MANGONE: I thought you were finished.

MR. ABRAM: I am finished.

BY MR. ABRAM:

Q Is that right?

MR. MANGONE: I think, your Honor, he didn't say "traditionally," that has never been used in the affidavit.

THE COURT: He can answer the question.

A I did not use the word "traditionally," I did state essentially that the DC-8 and the DC-10 pilots were permitted to perform their reserve duty days at their residences.

Q And was that put in writing anyplace?

A I'm not aware of it.

Q All right.

Now, I believe it was your testimony, in your first affidavit, that pilots appear when and where designated on their bid lines to perform their duty.

Is that your testimony?

A That is correct.

Q Now, I would like to show you a document which I will have marked as Plaintiff's Exhibit 6 --

Ferriss-cross

MR. ABRAM: I'm giving a copy to counsel for the Company.

BY MR. ABRAM:

Q Now, I'm showing you the document which appears to be the DC-8 bid awards for May 1975.

Is that what that document is?

THE CLERK: Document marked for identification as Plaintiff's Exhibit 7.

(So marked.)

A It appears to be, yes.

Q All right.

Now, is this when you stated that pilots appear when and where designated on their bid lines, is this the sheet that you were referring to?

A This?

Q This type.

A This one -- this is the sheet for the DC-8 bid awards for May 1975, there are also bid awards for DC-10s and also for DC-9s.

Q But that is the type of sheet that you were referring to in your affidavit?

A This one.

Q And where on that sheet does it show where a DC-8 reserve holder is to appear to get his duty?

A It does not, other than that the standard instructions to the pilots prior to May was that they would be at their residences, DC-3 pilots.

Q Your testimony is now that it does not appear on the bid sheets, is that right? It does not appear there and that is your testimony?

A On this particular sheet, it does not.

Q And it does not appear on any other bid sheets, does it, in the year of 1975 on DC-3s, does it?

A I don't recall, but I would assume, and I would judge, that it does not for reserve pilots.

Q All right.

So that your statement in your affidavit was not correct, was it, in your first affidavit?

A No, my statement was correct.

Q It was correct, you said that pilots appear when and where designated on their bid lines?

You have just stated that bid lines for reserve pilots do not show where they are to perform their duty, it does not say anything about it, now which is it --

MR. HANCOCK: Your Honor, the testimony was with respect to the particular bid lines in one from 1975, and this is a mischaracterizing of the witness' testimony.

BY MR. ASHER:

Q Let us talk about 1975:

I assume that your affidavit referred to the current period since it is in the present tense, they appear when and where designated on their bid lines.

Now, do the bid lines show them, where they are to perform their duty, the reserve pilots currently, under current conditions, or don't they?

A Prior to June of 1975, the bid lines showed the reserve line and the days off and the standing instructions from the crew schedulers were that the reserve duty would be performed at their residences.

Q You say --

A In June --

Q You say these are standing instructions?

A In June 1975, the bid lines showed the same thing with an attachment that the reserve duty will be performed at their domicile.

Q That was the change that was made in the bid line: right?

A That is correct.

Q And that is why we are here in court, about that change: Right?

A That is correct.

Berriss-cross

Q All right.

Now, do you have any writings reflecting the standing instructions that you speak about from the crew schedulers to the reserve pilots, that they are supposed to stay at home on their days of availability?

A I don't have any with them.

Q Are there any?

A I have not researched the records to find out, I have not personally seen any.

Q All right.

Now you say in your affidavit that you are responsible --

MR. ADRAM: Excuse me, just one moment.

K:jm
1amR2

Q In your affidavit you say that you are responsible -- that among your duties -- that your duties and responsibilities include the formulation and implementation of company policy relating to flight operations including the policy pertaining to flight crew scheduling.

Now, did you sign pilot bulletin 35-75?

A I did not.

Q Who did?

A Mr. Malcolm Starkloft.

Q What is his position?

A Vice-president of Operations.

Q Is he your superior?

A Yes, he is my immediate superior.

Q Is he responsible for the company policies with relation to flight operations?

A Yes, he is.

Q And you take your orders from him; is that right?

A I do.

Q All right.

So that when you said that these were your responsibilities, the formulation and implementation of company policy, it would be really true to say that it is your responsibility to do what Mr. Starkloft wants to be done in this area?

A In his absence to formulate policy independently.

Q Was he absent at the time that pilot bulletin number 35-75 was formulated?

A No, he was not.

Q Did he formulate 35-75?

A Not by himself.

Q But he signed it, right?

A He did.

Q Now, I understand, from your second affidavit,

that you are aware of cases, instances, where a pilot, a reserve pilot who is on his scheduled day of rest, has refused to take a trip because of less than twenty-four hour notification; that is your testimony?

A It is.

Q All right.

And including reserve pilots; is that right?

A That was my testimony.

Q And if a reserve pilot on a scheduled day of rest refuses a trip because of less than twenty-four hours notification prior to reporting for the trip, is that a violation of 31-L, for the pilot to refuse, is that a violation of the contract for the pilot to refuse in that case when he is on his day of rest?

A No, it is not.

Q All right.

Now, does your answer apply, would you give the same answer if the pilot receives word at, say, twelve noon at his home and he is on his scheduled day of rest, that he is required to report for a trip at six a.m. the next morning at Kennedy Airport and the next day is not a scheduled day of rest, that morning at six a.m. is not a scheduled day of rest: is that a violation or not?

A My answer is the same.

Q It is not a violation?

A That is correct.

Q For the pilot to refuse?

A That is correct.

Q Now, is it your position in this case that the monthly bid lines, for example Plaintiff's Exhibit C, which has been marked for identification, constitute sufficient notice to the reserve pilots of the fact that they are going to be on duty and to take a trip, that that is all the notice that they are required to be given under the contract?

A To be on duty.

Q But you agree that a reserve pilot requires twenty-four hours notification of specific trips, not to be on duty, but of specific trips, as you use these words?

MR. MANGONE: Your Honor, I don't understand the question.

I don't believe that is the witness' testimony.

May I have it read back?

THE COURT: Do you understand the question?

THE WITNESS: I understand it.

THE COURT: He understands the question.

BY MR. ABRAM:

Q Do you agree that a reserve pilot is entitled to twenty-four hours notification of specific trips, putting

aside the matter of duty, on duty, or any of that, but of specific trips?

A No, I don't agree.

Q Now, your testimony a minute ago was that a pilot on a scheduled day of rest, if say day one is a scheduled day of rest and day two is a day of duty, as you use the word duty as a day of reserve availability, he is entitled to at least twenty-four hours notice prior to reporting for a specific trip on day two: That was your testimony a minute ago, do you stick by that?

MR. MANGONE: That was with respect to a particular hypothetical, your Honor, and it stands as such.

THE COURT: He may answer.

BY MR. ABRAM:

Q Do you stand by your testimony?

A I stand by my testimony, Mr. Abram, that if a man is on his day of rest he requires twenty-four hours before reporting for duty, if the day of rest is prior to the day of duty, that day of duty begins at 0001 local of the day of duty --

Q So that --

A (continuing) At that point he does not require twenty-four hours notice, he is on duty.

Q He does require notice of a specific trip the next day before he can be required to fly that trip?

MR. MANGONE: Your Honor, I must --

THE COURT: I think you are talking about two different things.

MR. ABRAM: We are talking about --

THE COURT: Are you talking about the same thing?

MR. ABRAM: We are talking about two aspects of the same problem.

THE COURT: If Mr. Ferriss understands the question, he may answer.

THE WITNESS: I don't but let me say --

MR. MANGONE: I move to strike that statement as improper, counsel stated a hypothetical, it was answered, he then stated another question.

MR. ABRAM: It is not a hypothetical, it is based on his testimony that he was aware of specific cases where pilots had refused flights, and he says that is not a violation of the contract, and I was pinning down what those instances are.

THE COURT: Ask him the question.

MR. ABRAM: All right.

(continued on next page)

BY MR. ABRAM:

Q The question is that if a pilot is on a scheduled day of rest, a reserve pilot, is he entitled to twenty-four hours notice prior to a specific trip the next day if that next day is a day of reserve availability for him?

A Mr. Abram, a man may be given twenty-four hours notification prior to a particular trip and he would be given that twenty-four hours notification and it should be under the contract; however, at the beginning of that duty day, the twenty-four hours notice does not apply and the man can be given the notice only necessary for him to appear for the flight which he is going to make.

Q All right, but here is what I don't understand, Mr. Ferriss, of your position, and it is that the --

THE COURT: You are talking about one minute after the day begins?

THE WITNESS: He is on duty at that time.

BY MR. ABRAM:

Q Is it your position, your position is that the monthly bid line constitutes sufficient notice to pilots, and it is your position in this case that they are not given or required to be given any other notice --

MR. MANGONE: Your Honor --

Q (continuing) And now you are telling me that they are entitled to twenty-four hours of notice before specific trips?

MR. MANGONE: Your Honor --

Q In those instances --

THE COURT: You are paraphrasing it, counsel.

MR. MANGONE: Counsel is arguing with the witness, these questions have been asked and answered and I object to this question.

Q Now --

MR. ABRAM: You are going to remain standing?

MR. MANGONE: Well, I thought you were going to say something.

You are going on to another subject?

MR. ABRAM: I'm going to ask some questions.

EK:jm
TlamR3

BY MR. ABRAM:

Q You have stated that CNA informed the pilots, that is pilot representatives, that it has a policy regarding the requirement of the less than twenty-four hour notification, and I believe you stated in your affidavit that this was said to Captain Ahern on August 15, 1973. Do you recall saying that to Captain Ahern?

A I do.

Q All right.

Now how did that meeting come about?

A The meeting occurred because a new working agreement had been signed effective 1 July, 1973, a letter was sent from the Company to the Master Executive Council indicating that since there was a new working agreement in effect, new local scheduling rules had to be developed and requested meetings to proceed with the development of those local scheduling rules.

The meeting on August 15th was apparently in response to that letter and was requested by Captain Ahern, and he met with me, with Mr. Warring, the manager of our Wilmington, Ohio Thru Scheduling Center, and Mr. Eltona, the manager of our New York Thru Scheduling Center on August 15, 1973.

Q And in the course of that meeting you proposed certain local scheduling rules with reference to the Company's desire to have reserve pilots be on stand-by duty; is that right?

MR. MANGONE: Your Honor, I object to the form of the question.

THE COURT: The form is bad.

Q Did you, in the course of that meeting, make any proposals with regard to having a type of stand-by reserve duty in the local scheduling rules?

Ferriss-cross

A No, I did not.

Q Well, what did you say on the subject?

A I told them that we would not include anything in the local scheduling rules that was in conflict with the basic working agreement, and among those items was that reserve pilots would be designated to perform their duty at [illegible]tion of the Company.

Q And you wanted that in the local scheduling rules?

A I didn't care whether it was in the local scheduling rules or not, but I did care and I stated that there would be nothing in the local scheduling rules that was contrary to the contract.

Q You wanted the pilots to agree to this concept; isn't that right?

MR. MANGONE: Your Honor, I don't believe that is the witness' testimony.

MR. ABRAM: I am asking the question, I want to know whether --

THE COURT: I will allow it.

A I did not care particularly whether they agreed or not; from a contractual standpoint, I would want them to agree as a matter of employee-employer relationships.

Q You are familiar with the local scheduling

rules for the Electra that were in effect in February 1972?

A I was.

MR. MANGONE: Your Honor --

MR. ABRAM: Do you have something to say?

MR. MANGONE: I'm waiting for you to ask a question.

BY MR. ABRAM:

Q And you are familiar with the local -- and were you familiar with them when they were promulgated, were you familiar with the fact that they were being promulgated in 1972?

A I was.

Q And --

MR. MANGONE: Your Honor --

Q Is this a copy of the local scheduling rules that were put into effect between or by the agreement between the Company and certain pilot representatives in 1972

MR. MANGONE: Your Honor, before the witness answers, we raised objection with respect to this at the last hearing because the issue here is 1973, the 1973 contract and not the local scheduling rules of 1972.

THE COURT: What is the relationship?

MR. ABRAM: The relationship is this, it shows

the type of thing that goes into local scheduling rules and that there were discussions in 1973 over new local scheduling rules, indeed there have been discussions since then and those discussions have become translated into the main contract negotiations, and that is why 31-L is in the negotiations. This shows the type of thing that goes into this rule and includes an instance where the pilots specifically agreed to a stand-by type of agreement through agreement with the company.

MR. MANGONE: Your Honor, those local scheduling rules were in effect but they were eliminated in the August 1973 contract, and in fact the parties haven't been able to agree but the local scheduling rules are irrelevant to this proceeding.

MR. ABRAM: They are completely relevant.

THE COURT: I will allow it.

BY MR. ABRAM:

Q Now, is that a copy of the local scheduling rules of February 1972?

MR. ABRAM: I am giving counsel for the Company a copy.

I would like it marked for identification.

(continued on next page)

Ferriss-cross

THE CLERK: Local scheduling rules marked for identification as Plaintiff's Exhibit 7.

(So marked.)

A Yes, it is.

Q All right.

MR. ABRAM: I will move the admission of Plaintiff's Exhibit 6 and 7.

MR. MANGONE: Your Honor, I have no objection to the admission into evidence of 6; I object to Plaintiff's Exhibit 7 on the ground that it is irrelevant.

THE COURT: I will admit it, it is to be admitted only on a very limited basis of relevancy at this time and that is to show scheduling.

THE CLERK: Plaintiff's Exhibits 6 and 7, previously marked for identification, received in evidence.

(So marked.)

BY MR. ABRAM:

Q Now, did those local scheduling rules contain a provision whereby the pilot representatives agreed to establish a stand-by type of a duty for reserve pilots?

MR. MANGONE: Your Honor, the document speaks for itself.

BY MR. ABRAM:

Q I refer your attention --

MR. MANGONE: If he wants to refer to it, he can do it.

Q I refer your attention to Section 4(c) of the document.

A I'm sorry, I don't have a copy of the document.

Q You have a copy in front of you now?

A I do, and this is Exhibit number 7.

Q That is right.

A I do.

Q And I refer your attention once again to Section 4(c) and the immediate second paragraphs.

Now, do those paragraphs establish a type of stand-by reserve duty for the Electra pilots?

MR. MANGONE: Your Honor, I object to this as irrelevant, this is in 1972 and has nothing to do with the current agreement. The document speaks for itself.

THE COURT: It speaks for itself, but the only relevancy I am permitting at this time is to show that there was an agreement with reference to that type of an airplane, which is not involved in this, a DC-8.

MR. ABRAM: I would like to show what the agreement was.

MR. MANGONE: The agreement states what it was.

THE COURT: They went from twenty-four to twelve hours, a min'mum of twelve hours, nothing more than that.

MR. ABRAM: All right.

THE COURT: We talked about that on Friday without seeing that.

Nobody wanted to agree.

MR. ABRAM: Again, this is for the purpose of showing that this is the type of thing that the parties have always negotiated.

THE COURT: What is that?

MR. ABRAM: I say, this is for the purpose of showing that this is the type of thing that the parties have negotiated under the agreement, pursuant to the agreement, and in current --

THE COURT: This is in 1972.

MR. MANGONE: That is right.

THE COURT: Your own witness stated in this case he didn't consider it that important, so there wasn't that much of importance about that, if I recall the testimony.

Ferriss-cross

MR. ABRAM: It was a subject of some negotiation.

THE COURT: No question about it, but it wasn't the subject or the main subject.

MR. ABRAM: There are many subjects.

THE COURT: Nor is it going to hinder or help the airline one way or the other from the conversations that I had with the witness at the time in questioning.

MR. MANGONE: As the witness said, it does not have --

THE COURT: Well, let me say it supplements my thoughts.

MR. ABRAM: I am not sure whether there was a ruling on the objection to the question.

Was the objection sustained?

THE COURT: I sustained his objection at this point.

BY MR. ABRAM:

Q What provision of the current agreement states or gives the Company the right to designate where a pilot will serve his days of being available for notification as a reserve pilot?

A Section 31-I.

Q 31-I.

What does that say?

A Section 31-I says essentially --

MR. MANGONE: Your Honor, the agreement is in evidence, why don't we --

MR. ABRAM: I would like to know what he says 31-I states, this is cross-examination, I would like to know what he thinks it says.

MR. MANGONE: This is not entrapment, the document is in evidence.

MR. ABRAM: He is relying on this provision, I would like to know what he thinks it says.

It seems to me appropriate cross-examination.

THE COURT: Tell us what you think it says.

MR. ABRAM: I am sure he knows it by heart.

A I will not quote it verbatim, Mr. Abram, because I don't know if verbally, but the essential of 31-I is that pilots are bound to comply with any policies of the Company now or hereafter in effect which are not in conflict with the working agreement.

Q All right.

THE COURT: That is pretty good.

THE WITNESS: Thank you, your Honor.

THE COURT: Okay.

Ferriss-cross

BY MR. ABRAM:

Q So that other than 31-I, there is no other provision in the agreement that gives ONA the right to designate where the reserve pilots will be on their days of availability?

THE COURT: He only needs one provision.

Q There is nothing else in there: Right?

A There is nothing in there which conflicts with the working agreement.

Q That is not my question. My question is, is there anything else in the agreement that gives you this right or are you relying strictly on 31-I?

A I don't recall any other provision, there may be, Mr. Abram.

Q All right.

And you would agree that if 31-L conflicts with this policy that the policy must fall under the terms of 31-I?

A 31-I speaks for itself, Mr. Abram.

Q But you would agree with my statement?

A I would.

Q And you say that there has never been any question in interpretation or in operation that the twenty-four hour requirement was met when the pilots received their

bid lines at the beginning of each month: Is that your testimony?

MR. MANGONE: Your Honor, may I have that question read back, I am not sure that I understood it.

(The reporter repeated the question.)

A There has never been any question on the part of the Company.

Q On the part of the Company?

A That is correct.

Q But there has been question on the part of the pilots?

A That has been documented, there have been questions on the part of four pilots.

THE COURT: What is the total number of pilots in the Company?

THE WITNESS: A hundred and fifty at the present time, your Honor, and at its peak, two hundred, approximately.

Q Well, you also had Captain Ahern's letter in 1973 in which he made it clear that the reserve stand-by, the stand-by reserve type of proposal or concept that you believed in was not consistent with 31-L?

MR. MANGONE: Captain Ahern's letter is in

evidence --

Q Is that true, that you had that letter --

MR. MANGONE: It speaks for itself.

Q -- (continuing) -- in 1973?

MR. MANGONE: Your Honor, let him show the witness the letter.

THE COURT: Show him the letter, let us see if he agrees with it.

THE WITNESS: Your Honor, it is not necessary, I had the letter, I had the letter.

BY MR. ABRAM:

Q You had the letter?

A That is Captain Ahern's letter of approximately 2 October, 1973.

Q All right.

And you say that the -- well, what is the function of having reserve crews on ONA as you see it?

A The function of reserve crews is to provide a capability for additional trips, we may have acquired additional flights which may have been acquired from agents and customers by the Company, either well in advance of an operating date or just prior to an operating date.

It is further to fulfill requirements which may be created by the many vagaries in which the airline

Ferriss-cross

industry is involved, including sickness of a pilot which occurs just prior to a scheduled departure; weather; diversions of aircraft which may require the crew operating to leave the aircraft because their duty time has expired; or maintenance delays at en route or terminal stops which result in the same thing.

They are to provide a capability to the Company so that flights may either operate or continue, even though there have been changes, unanticipated changes to schedules.

Q And some of these changes occur more than twenty-four hours before the flight leaves, isn't that right, or the trips leave?

A They do.

Q Wouldn't you say that the majority, that in a majority of cases, the reserve pilots receive notice more than twenty-four hours before their trips of what trips they are going to fly?

A I would not say in majority because it depends upon the particular season:

In the wintertime, yes, frequently, the greater frequency is more than twenty-four hours notice. However --

Q So it is --

MR. MANCONE: Your Honor, the witness is

Morris-cross

answering the question.

THE COURT: Let him finish.

Q I would ask you --

MR. MANCONE: I would like him to finish.

A (continuing) However, during the peak season, contrary to the testimony of one witness that the calling upon reserves was less than twenty-four hours notice is seldom -- there is a great frequency during that season and our international aircraft, the DC-8 and the DC- 0, the notification is substantially less than twenty-four hours, and there is a continuing frequency in the domestic DC-9 aircraft operation of less than twenty-four hours notice.

Q Now, in your affidavit you said that the function of the reserve is to have crews available on extremely short notice: that isn't the function of reserve, is it?

A That is a function of the reserve.

Q All right.

So you left something out in your affidavit on that point, didn't you?

A I did not.

Q Well, didn't you leave out the point that the reserve is also available to fly trips on much more than short notice?

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MR. MANGONE: Your Honor, counsel is arguing with the witness.

Q Didn't you leave that out?

MR. MANGONE: I object to that question.

THE COURT: It is not included, but he didn't leave it out.

Q It is not included in your affidavit, is it?

MR. MANGONE: The affidavit speaks for itself.

MR. ABRAM: I think the witness should answer, he says something in the affidavit, which is a sworn document, which he left out, he left out something very important, and I would like to know about it on the stand.

MR. MANGONE: Your Honor, the witness has been asked and answered the question.

THE COURT: It is not in your affidavit?

THE WITNESS: I don't recall.

THE COURT: Show it to him, that is the only way to test him, it is to show it to him and ask him is it included.

There is no other way of doing it.

BY MR. ABRAM:

Q I am reading you from Paragraph 6 of your first affidavit in this case, beginning with the words, "as

its function" (indicating).

(The witness then perused the document.)

Q Now, having read that -- you have read that now?

A I have read it.

Q Did you leave anything out?

MR. MANGONE: Your Honor, the witness stated it speaks for itself.

THE COURT: Yes.

He has left lots of things out.

MR. MANGONE: If he wants to testify --

BY MR. ABRAM:

Q You did leave it out, didn't you, the point that reserve pilots also fly trips on other than extremely short notice?

THE COURT: Did you leave that out?

THE WITNESS: No, I didn't because I think it is obvious.

THE COURT: Well, that is not the way, but you are answering it, all right.

You ask him did he leave it out, well, he could have left out lots of things, his address, his religion; there are so many things to quote so why ask the question.

MR. ABRAM: All right.

BY MR. ABRAM:

Q In your affidavit you stated that a reserve line specifies the days of the month on which a pilot is on duty, and I believe it was your testimony a moment ago that this occurs -- that this had first occurred in June 1975; is that right?

MR. MANGONE: I thought his testimony was --

A No, it has not.

Q Well, before June 1975 did the reserve line state that a pilot was on duty on certain days?

MR. ABRAM: On the DC-9 and the L-1-8 --

Q Let us take the DC-8 and the DC-10, I don't know about those others, it is the DC-8 and the DC-10 that we are talking about.

A Well, number two, I mentioned the days of duty were shown of the DC-8 and the DC-10 and that the policy of the crew scheduler was to show days off, indicating that there were days off, and the other days were days of duty. Now to me that --

Q Were they indicated as days of duty?

MR. MANGONE: The witness was answering the question, I would like him to finish.

A To me that shows days of duty.

Q Did they say days of duty?

A They did not say days of duty. It was implicit.

Q And in June 1975, they first said days of duty -- DC-8 and DC-10 lines said duty days for reserved pilots for the first time?

A DC-8 and DC-10, yes.

Q And that change was made in connection with pilot bulletin 35-75; right?

A Not necessarily, Mr. Abram, because it was shown as "days off" because the crew scheduler included on one bid line days off duty or rest for captains, co-pilots and flight engineers and the flight engineers agreement required the indication of days off.

The pilots indicated that it would show the days off duty and by showing the days off, the crew scheduler made it clear that the days not shown were days of duty.

Q Now, on June 5, 1975, I believe it is your testimony that there was a flight, a DC-8 flight from Germany scheduled to arrive in Kennedy Airport on June 5th, 1975; is that right?

A That is my testimony.

Q And what time was that flight scheduled to

depart from Germany under its basic schedule?

A I do not recall precisely.

Q Do you recall roughly?

A During the early morning of June 5th.

Q What time did it leave Germany?

A It departed Germany about one or two hours behind schedule, to the best of my recollection.

Q What time was it scheduled to arrive at Kennedy under its -- under the schedule it would have, based on the time it actually departed Germany?

A I do not recall, Mr. Abram. It was going to be during the afternoon.

Q What time did the Company first learn that the flight would be diverted to Bradley Field?

A When it was concurred in with the weather diversion into Bradley because of the delay.

Q What time was that?

A The precise time I do not recall.

Q Do you have a general idea?

A No, I do not. It was during the afternoon, but the precise time I do not recall.

Q Now, what time was the aircraft originally scheduled to depart Kennedy in order to ferry to Philadelphia?

A Approximately two hours after it landed at

Kennedy and again, the precise time I do not recall.

Q What time did it actually depart Kennedy & get to Philadelphia?

A It departed the following morning, the morning of June 6th.

Q At what time?

A At approximately 8:00 or 8:30 local, if I recall correctly.

Q And on the afternoon of June 5th, did the Company have any DC-8 reserve pilots either captains or first officers who were on days of reserve availability that day and who were not already flying or positioning to fly that day, on the afternoon of June 5th?

A On the afternoon of June 5th, I do not recall, Mr. Abram, whether we had any reserve pilots on duty who were not already scheduled to fly.

Q You may not have had any; right?

A It is very conceivable we didn't have because at the present time we are five captains short in the DC-8 force. They are in the process of being qualified and they will be qualified in the next few weeks.

Q And your first officer force?

A We are one short.

Q It is conceivable, as you say, that there were

no reserve pilots available to take that flight on June 5th simply because they were already doing something else for the Company?

A It is conceivable.

Q You need a captain to take the controls of the aircraft; right?

A We do, certainly.

Q But you haven't verified that fact one way or the other as to whether there was a captain available --

A I have not verified the fact. However, if we did have a captain on reserve duty and he was not at Kennedy and he was at a residence more than three hours away, we would have lost the capability to move that aircraft on a timely basis.

Q You don't know whether that was true though, do you?

A On that particular case, I do not.

Q In fact, you waited from the afternoon of June 5th until the morning of June 6th to get the plane moving. You waited much more than three hours.

A No, that is not correct.

Q What time did the aircraft --

A We waited until the morning of June 6th to move the aircraft because we didn't have a crew ready and

capable of moving it because the crews at Kennedy were in crew rest.

Q But, it wasn't until the next day, in any event, until the plane left?

A That is correct and that is the problem for the Company.

Q Now, did crew schedulers call any of the pilots who were on their days of rest on the afternoon of June 5th to take this flight when it arrived from Kennedy to transit, to ferry it to Philadelphia?

A It is their normal practice. I do not know of my own personal knowledge if they made contact with anybody.

Q And on the flight to Dakar in Senegal, or the oil-rigging flight -- at the time that this flight came up, did the Company have any reserve DC captain who would have been able to fly that flight who was not doing something else anyplace within twenty-four hours of Kennedy Airport?

A Yes, Mr. Abram.

Q You did?

A Yes, we did.

Q Who did you have?

A Captain Meldahl.

Q Was he on a day of reserve availability or doing something else?

A He was on a day of rest.

Q Did you call him to come take that flight?

A No, there was no contact made with him.

Q You let that thing delay as much as you say you did in your affidavit, simply because you didn't have someone immediately available?

A I did not state that. I did not state that there was any delay.

Q You had to pay a captain overtime thirteen hundred dollars?

A That is correct.

Q If you had called Captain Meldahl, a reserve pilot, would you have had to pay him overtime?

A I do not know.

Q Now, you have stated a concern, I believe, that some reserve pilots interpret the twenty-four hour rule as entitling them to wait at home twenty-four hours after receiving notification for a trip before they even leave home to get to the airport. Is that one of your concerns?

A I have not stated that in my affidavit.

Q No, but you stated that to pilot representatives as a concern?

A Yes, I did.

Q And is that one of your concerns?

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A Yes, it is a concern.

Q And the pilot representatives have told you that it is not their interpretation of 31-L; isn't that right?

A Yes, it is.

Q So that this concern is something that the pilots have said is not a matter to be concerned about in terms of what 31-L means; isn't that right?

A When you say the pilots --

Q Pilot representatives.

A A pilot representative.

Q Who stated that?

A Captain Meldahl.

MR. ABRAM: I have no further questions.

REDIRECT EXAMINATION

BY MR. MANGONE:

Q Did you participate in a formulation and implementation of pilot bulletin 35-75?

A I did.

RECROSS-EXAMINATION

BY MR. ABRAM:

Q According to -- I'd like to show you the June bid sheet already in evidence and pointing to Captain Meldahl, I refer you to June 10, which was the day that the Dakar flight left.

Now, what does that show for Captain Meldahl for that day?

A It shows a scheduled day of duty. However, Captain Meldahl had been released from that day of duty in order to take care of Association business.

Q He was not on a day of duty?

A He was not. He was on a day of Association business.

RE-REDIRECT EXAMINATION

BY MR. MANGONE:

Q Association business means ALPA business?

A ALPA business.

Q And at their request; is that right?

A That's right.

THE COURT: You may step down.

MR. MANGONE: Your Honor, Mr. Waring is available for cross-examination.

THE COURT: All right.

However, I have another matter to take up before we continue.

(Recess taken.)

(continued on next page)

(After recess.)

THE COURT: All right. We are ready to continue.

R O B E R T W A R I N G , having testified on direct examination through Affidavit, was duly Sworn by the Clerk of the Court, and testified further as follows:

THE CLERK: State your name and spell it for the record, please.

THE WITNESS: Robert Waring, W-a-r-i-n-g.

THE COURT: I hope you won't be too long with this witness.

MR. ABRAM: I will be very brief.

CROSS EXAMINATION

BY MR. ABRAM:

Q Mr. Waring, this cross-examination is on the basis of your Affidavit that has been submitted by CNA.

Now, as I understand it, you have crew scheduling responsibilities for the DC-9 Aircraft?

A Correct.

Q Out of Wilmington, Ohio?

A Correct.

Q You don't have responsibility for the DC-8 or DC-10?

A No.

Q When you say "no," that means you do not have?

A Not on a day-to-day basis, no.

Q Your Affidavit deals, as I understand it, with the DC-9 practices.

A That is correct.

Q And just to clarify, as I understand your Affidavit, you have listed a number of instances where your crew logs show that DC-9 pilots on reserve days have taken trips with less than twenty-four hours notice; is that right?

A That is correct.

Q And the first instance in your reserve logs was in January, 1973?

A Of the logs I brought with me.

Q Were there logs before then?

A There are logs in the Electra.

Q But the DC-9 log --

A We took over -- That is, Wilmington took over DC-9 crew scheduling in October, I believe it was October of 1972. There are logs from October, '72.

Q And you looked at those logs in connection with preparing this?

A Yes.

Q And the first instance you saw was 3 January, 1973?

A Let me clarify.

All instances shown here are instances where

there was no concurrence or any indication as concurrence by the pilot when he was assigned the trip.

There are many, many more instances in the logs of pilots being assigned trips with less than twenty-four hours notice, but in all these cases I did not cite, there is some indication of concurrence. The pilot said, "I will take the trip. I concur," or something of this nature.

The instances listed here give no indication of concurrence, but discompliance.

Q He didn't necessarily say anything, but he took the flight?

A Yes.

Q And in 1973, '74 and '75, up to the present time, I think you found a total of 60 such instances; is that right? Is that what you recall?

A Yes.

Q And how many trips did reserve pilots fly on the DC-9 on the period covered by this data?

A That would have to be researched.

Q It would be in the hundreds or thousands?

A I couldn't accurately answer that. The information is there. I have it. It would take a great amount of time to compile it.

Q So, you don't have a basis for comparing these

figures to the total number of trips actually taken?

MR. MANGONE: Objection. He didn't say he didn't have a basis --

THE COURT: I know what he said.

A That's right.

Q And, if a DC-9 pilot --

MR. ABRAMS: Strike that.

Q There are instances, are there not, where a DC-9 reserve pilot serves his days of reserve availability at his residence?

A Yes.

Q And is it your position that on those days he is on duty?

A That is correct.

Q Is he -- In some of those instances, are those instances where the reserve pilot, the DC-9 reserve pilot, is away from his domicile; he lives away from his equipment domicile?

A That is correct.

Q On those days, is he paid per diem expenses and lodging expenses?

A No, but he is credited with a duty day.

Q For DC-9 purposes?

A For pay purposes.

Q Is he paid?

A Yes.

Q He is paid for that day?

A Yes.

Q Even if he is home?

A That is correct.

Q Do you know what the practice is on the DC-8's and 10's?

A Generally, but I can't be --- I'm not sure that I would be 100 percent accurate in my statement.

Q All right, all right.

But, you say he is not paid per diem and lodging?

A That is correct.

MR. ABRAM: I have no other questions of Mr. Waring.

REDIRECT EXAMINATION

BY MR. MANGONE:

Q Are all ONA pilots, whether they fly DC-9's, Electras, DC-10's, covered by the same collective bargaining agreement?

A That is correct.

MR. MANGONE: Nothing further.

MR. ABRAM: We'd like to call Captain Dries as a rebuttal witness.

THE COURT: You have no further witnesses for the Airlines?

MR. MANGONE: That is correct.

THE COURT: All right. Call your rebuttal witness.

Captain B R U C E V. D R I E S, called as a witness in rebuttal, having first been duly Sworn by the Clerk of the Court, testified as follows:

DIRECT EXAMINATION

BY MR. ABRAM:

Q Captain Dries, how long have you been employed by ONA?

A Since 6 December, 1967.

Q And what is your current position in ONA as an employee of ONA?

A I am a DC-8 Captain.

Q How long have you been a DC-8 Captain?

A I have been in Captain's status, initially checked out in April of 1969.

Q And where is your current equipment domicile?

A New York.

Q And how long has that been your equipment domicile?

A Since -- Originally, from day of employment until December of 1969, and then from February of 1973 to present.

Q And do you generally hold a line as a reserve pilot, or as a scheduled line holder?

A Due to my seniority, I am generally reserve.

Q And do you hold a position in the Pilots' Group, the Air Line Pilots Association?

A Yes, I am Chairman of Council 38.

Q What does Council 38 include?

A All the DC-8 and 10 pilots in New York, and the DC-10 pilots in Los Angeles.

Q This is the group affected by Pilot Bulletin 35-75?

A That is correct.

Q And were you on reserve in any months in 1974 as a DC-8 Captain?

A Yes, I was.

Q And in any of those months, did crew scheduling at any point request that you take a flight -- Excuse me -- a trip on less than twenty-four hours notice when you were on days of reserve availability?

A Yes, they did.

Q Do you recall roughly when that happened?

A I recall it very well. I lost eight hours overtime. It was May of 1974.

Q Do you recall who called you?

A A crew scheduler we used to have by the name of Roy.

MR. MANGONE: Can we have the witness speak up, please?

THE WITNESS: The scheduler's name was Roy. I don't know his last name.

Q And you were on a day of reserve availability at that time?

A That is correct.

Q And how much notification before the trip did he give you?

A Approximately four and a half hours.

Q Did you accept the trip?

A No, I did not.

Q Did you tell him you were not accepting the trip?

A Yes.

Q Did you state anything further in connection with your views on the twenty-four hour rule?

A I told him as far as I was concerned it was in conflict with 31-L.

Q What was?

A The notification for the trip.

Q And were you disciplined for this refusal by ONA?

A No.

Q Did any OMA representative threaten to discipline you?

A No.

Q Did you lose any pay as a result of this refusal?

A As a result of my refusal, I lost eight hours overtime, yes.

Q Now, subsequent to that time, on your days of reserve availability, have you generally received calls to take trips or less than twenty-four hours notice?

A To my notice that was the only notification that I ever received with less than twenty-four hours notification.

Q And in the month of January, 1975, were you originally awarded a reserve line for the month of January, 1975?

A No, I wasn't awarded any line in 1975. I was assigned a reserve line. I wasn't allowed to big that month.

Q You were assigned a reserve line?

A That is correct.

Q In connection with holding a reserve line, were you assigned to any trips?

A I was in Jiddah from the 28th of December until the 16th of January.

Q That is in Saudia Arabia?

A That is correct.

Q And prior to departing to go to Jiddah, did you report for duty at ONA?

A Yes, I did.

Q And when was that, roughly?

A That was on the 26th of December.

Q And where did that take place?

A I reported in New York.

Q And did you then proceed to Jiddah?

A Commercial TWA to Frankfort, and the 28th I took a live flight from Frankfort into Jiddah.

Q Now, when you were in Jiddah, did you receive notice of particular flights within this trip on less than twenty-four hours notice?

A Yes, I did.

Q Was that in conflict with 31-L?

A No, I don't think it was.

Q Why not?

A Because it was a trip assignment.

Q Now, on your days reserve availability, where do you generally spend your time?

A At my home. I live in Pennsylvania.

Q And has any company representative ever told you that that is where you are supposed to spend your time as a DC-8 reserve Captain?

A No, I have never been told where to spend my time.

Q And on those days of reserve availability, have you been paid per diem and lodging by the company when you spend your days at home?

A No, I have not.

Q And have those days counted as days of rest or days of duty for the purpose of computing your minimum days of rest per quarter if you are not called for a flight or trip on those days?

A There had been some discussion in the past for a while there, if we weren't used on the day of duty, then it was counted as a day of rest.

Q You mean on a day of availability?

A Right.

Q And you say it was counted as a day of rest?

A Right.

MR. ABRAM: I have no other questions.

MF fls

(continued on next page.)

CROSS-EXAMINATION

BY MR. MANGONE:

Q Captain Dries, have you ever refused to take a flight on less than twenty-four hours notice on a day you were available for duty on a reserve line?

A Yes, I have.

Q Flight?

A A flight?

Q Yes. Not a trip, a flight.

A Well, let's say I received notification for a flight --

Q When was that?

A May of '74.

Q You said it was a flight, not a trip?

A The flight was to London and back.

Q Was that a trip or a flight?

A A flight to London and flight back.

Q When you were in Jedda in December of 1974, January 1975, you said you signed in for duty for a trip in New York on December 26, 19 --

A Yes.

Q Once you were assigned for a trip, your testimony is you could be assigned flights on less than twenty-four hour notice?

A Once out on the line.

Q Once on duty you could be assigned a trip?

A Once on a trip, we could be assigned flights with less than twenty-four hour notice.

Q You were assigned and flew flights on less than twenty-four hour notice in December '74, January '75, isn't that correct?

A Yes.

Q Were these flights listed on any trip?

A The flights constituted the trip.

Q Were they listed on any trip you signed in for?

A No.

Q Now, they weren't listed on the trips, they nevertheless were assigned to you on less than twenty-four hour notice and you flew them?

A That is correct.

Q Do you have your affidavit that you executed earlier in this case?

A I am sure it is over here somewhere.

Q Let me show you a copy of it, Mr. Dries. I direct your attention to paragraph number three.

Do I understand you make a distinction between trips and flights?

A That is correct. A series of flights

constitutes a trip.

Q While you -- you have refused trips on less than twenty-four hour notice or one trip on less than twenty-four hour notice, you never refused a flight on --

A While on a trip, that is correct.

Q The Company never had any occasion to discipline you for refusing to take a flight on less than twenty-four hour notice?

A I don't think there was any question involved at that time concerning this.

MR. MANGONE: Your Honor, I have no further questions of this witness.

MR. ABRAM: I do.

REDIRECT EXAMINATION

BY MR. ABRAM:

Q Captain Dries, when you are at home waiting to be notified for a trip on your days of reserve availability, do you report for duty?

A No, I do not.

Q And when you were in Jedda on the trip involving the Moslem pilgrimage in December of '74 and January of '75, were you paid per diem and lodging expenses by the Company for each day you were there?

A Yes, I was.

MR. ABRAM: I have no further questions.

MR. MANGONE: One question.

RECROSS-EXAMINATION

BY MR. MANGONE:

Q Captain Dries, you are an official of ALPA, is that correct?

A Yes.

Q Is there only one contract between ALPA and ONA covering all ONA pilots whether in DC-8s, 9s, 10s, L188s?

A There is only one working agreement for all pilots.

MR. MANGONE: Thank you.

THE COURT: You may step down.

Is that it?

MR. ABRAM: I have no other witnesses. I have copies of proposed findings of facts and conclusions of law. I would like them to be considered as our memorandum of law.

THE COURT: Would you want to consider, since we ha' all the witnesses, would you want this to be considered as a temporary or permanent injunction? As a full trial?

You had all the witnesses. I don't assume you are going to bring anybody different. You had the

UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF NEW YORK

- x

AIRLINE PILOTS ASSOCIATION, :

Plaintiff, :

v. : 75 C 836 (MAC)
AFFIDAVIT IN OPPOSITION
TO INJUNCTIVE RELIEF

OVERSEAS NATIONAL AIRWAYS, INC., :

Defendant. :

- x

STATE OF NEW YORK)
: ss.:
COUNTY OF KINGS)

LESTER R. FERRISS, JR., being duly sworn, deposes and says:

1. I am Assistant Vice President - Operations of defendant Overseas National Airways, Inc. ("ONA"), a position I have held since September 1, 1970. I make this affidavit for the purpose of setting forth my direct testimony at the hearing currently being held in this Court on plaintiff's motion for preliminary injunction. I am fully competent to testify as to the matters set forth herein.

2. Firstly, I reaffirm all the matters set forth in my affidavits sworn to June 2, 1975 and on this date and previously submitted in this action, including the exhibits thereto, and herewith incorporate said affidavits and exhibits as my direct testimony at this hearing.

Local Scheduling Rules

3. To my knowledge, local scheduling rules have never been formally developed or approved by both parties (ONA and the pilot group) for any equipment, with the exception of rules for Electra pilots in effect prior to the adoption of the

present Collective Bargaining Agreements. Drafts of rules for DC-9 and DC-8 pilots were developed, and parts of those drafts were used by crew schedulers as guidelines when they did not conflict with company policies, but no formal local rules for DC-9's and DC-8's were ever in effect. In no event was any provision of these drafts which conflicted with ONA's interpretating section 31 C applied

4. With the signing of the current Collective Bargaining Agreement in July 1973, ONA advised the pilot group that local scheduling rules needed to be developed in accordance with the contract. ONA's advice was based upon Section 31 of the current agreement which is quoted:

> "A. This Agreement shall succeed and take precedence over all Agreements, Supplemental Agreements, Amendment and Letters of Agreement between the parties heretofore executed, except the following which shall remain in full force and effect:
> 1. MAC No-Strike Letter of Agreement executed contemporaneously herewith;
> 2. Reimbursement for pay and fringe benefits executed contemporaneously herewith."

The pilot group contended that the "old" local scheduling rules continued in effect.

5. The issue was submitted to a System Board of Adjustment which deadlocked. It was then submitted to an arbitrator in December 1974, as indicated in the affidavit submitted by Mr. Richard E. Hockman, and the arbitrator directed the parties to attempt to negotiate new local scheduling rules rather than proceed with the case.

6. In December 1974, a meeting between the parties to develop local scheduling rules resulted in significant progress. In January 1975, a second meeting was held in which further progress was made. Following that meeting the pilot group discontinued any further meetings for the development of local scheduling rules, advising ONA that such rules would be

developed during negotiations which were underway concerning the basic collective bargaining agreement.

Sworn and subscribed to before me this 13th day of June, 1975

Notary Public

LOUIS A. MANGONE
NOTARY PUBLIC, State of New York
No. 31-7695730
Qualified in New York County
Commission Expires March 30, 1978

UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF NEW YORK

- - - - - - - - - - - - - - - - - - -x

AIRLINE PILOTS ASSOCIATION, INC., :

Plaintiff, :

v. :

OVERSEAS NATIONAL AIRWAYS, INC., :

Defendant. :

- - - - - - - - - - - - - - - - - - -x

75 C 836 (MAC)

AFFIDAVIT SETTING FORTH DIRECT TESTIMONY OF DEFENDANT'S WITNESS AT HEARING ON PRELIMINARY INJUNCTION

STATE OF NEW YORK)
: ss.:
COUNTY OF KINGS)

ROBERT G. WARING, being duly sworn, deposes and says:

1. I reside at 268 South South Street, Wilmington, Ohio. I am the Director of Flight Control for Overseas National Airways, Inc. ("ONA") at Wilmington, Ohio. This Affidavit constitutes my direct testimony in opposition to plaintiff's motion for a preliminary injunction at the hearing currently being held by this Court.

2. I have held my position with ONA since November 2, 1970. My responsibilities include the dispatch function for the DC-9 aircraft controlled by ONA's Wilmington facility. I am also responsible for the overall supervision of DC-9 Crew Scheduling at Wilmington, which includes the maintenance of the Crew Scheduler's Log books and the flow sheets showing crew movements as they occur. I had similar responsibilities with respect to L-188 (Electra) aircraft controlled by the Wilmington facility. All ONA pilots, regardless of the equipment they fly, are covered by the same Collective Bargaining Agreement. These Logs and flow sheets are kept in the regular course of ONA's business, and it is the regular practice of ONA to keep said Logs and flow sheets, and to record the data contained therein.

3. In January, 1975, I was on temporary duty in Jedda, Saudi Arabia, as the Operations Representative for ONA during Phase 2 of the 1974-75 Hadj Program. The Hadj Program consisted of the transportation of large numbers of Moslem pilgrims from their homes to Mecca, Saudi Arabia, via Jedda. Phase 2 involved the return of the pilgrims from Mecca, via Jedda, to their home countries.

4. I have reviewed the Affidavit of Captain Bruce Dries, sworn to June 4, 1975, and previously submitted in this action. I have also reviewed the Crew Scheduler Logs and flow sheets maintained at Wilmington for the period from the beginning of 1973 to the present.

5. My testimony will deal with two subjects. First, I will describe the assignment of trips to Captain Dries and his performance of those trips at Jedda in January, 1975. Second, I will review the contents of the Wilmington Crew Scheduler Logs and flow sheets. These Logs and flow sheets show that, as a matter of course, pilots holding reserve lines regularly were assigned and flew trips on less than twenty-four hours notice when they were holding reserve lines and were on days available for duty as specified on those lines, and that every one of the trips assigned on less than twenty-four hours notice was flown by the assigned pilot on less than twenty-four hours notice. These records reveal that in no case did a pilot refuse to fly such a trip.

I

While On Reserve In Jedda In January, 1975, Captain Dries Was Assigned And Flew Trips On Less Than Twenty-Four Hours Notice. He Never Protested Such Assignments Or Trips, And Never Filed A Grievance With Respect Thereto

6. As I stated earlier, in January, 1975 I was assigned on a temporary basis to handle the crew scheduling for ONA in Jedda, Saudi Arabia for the return of Moslem pilgrims from Jedda to their homes.

7. As Captain Dries states in paragraph 2 of his Affidavit, he held a reserve line in January, 1975. When Captain Dries was awarded that reserve line, he was directed to Jedda to fly flights in Phase 2 of the Hadj Program. I was in charge of scheduling crews that were flying from Jedda during January, 1975.

8. During January, 1975, I assigned Captain Dries to fly flights on less than twenty-four hours notice, and in every instance in which he was so assigned, Captain Dries flew the flight. He never once refused to fly a flight; he never once protested that the assignment violated the twenty-four hour notice provision of Section 31 L. of the Collective Bargaining Agreement; and he never once filed a grievance with respect to the assignment of or the performance of such flights.

II

The Crew Scheduler Log And Flow Sheets For Wilmington Shows As A Matter Of Course The Assignment Of Trips To -- And Performance Of Those Trips By -- Pilots Holding Reserve Lines, On Less Than Twenty-Four Hours Notice

9. Throughout the time I have held my position with ONA in Wilmington, Ohio, pilots holding reserve lines have regularly been assigned to fly trips on days they were available for duty on less than twenty-four hours notice. In every such instance, the pilot has performed the flight as assigned. Although on

four out of more than sixty occasions a pilot has raised the question as to whether or not such assignment was in violation of Section 31 L. of the Collective Bargaining Agreement, no pilot has ever filed a grievance with respect to such an assignment or flight.

a. The Four Instances Where A Question Was Raised Show That The Pilots Acceded To ONA's Interpretation That Section 31 L. Did Not Apply To Pilots Already On Duty

10. The most recent such instance arose on February 25, 1975. On that date, at 16:45 hours Greenwich Mean Time ("Z" or "Zulu" time), First Officer W. Gregory was assigned to fly a trip on less than twenty-four hours notice. At that time, First Officer Gregory was on reserve days available for duty.

11. The Crew Scheduler Log entry discloses the following took place: when assigned to the trip First Officer Gregory "said he could not do that [fly the assigned trip] because he was not given 24 hrs. notice. [The crew scheduler] advised him he does not need 24 hrs. notice and to call Captain P. Rowland [ONA's Chief Pilot] if he did not believe me, . . . he will call him and will then call me back." The Log then reveals that at 17:50 Zulu [an hour and five minutes later], the crew scheduler "rec'd a call from f/o Gregory [stating] he will fly [the flight] under protest, of less than 24 hours. notice and he is a reserve on duty . . . ." (Exhibit A, p. 1)

12. Despite his attempt to claim the application of Section 31 L. First Officer Gregory flew the flight in question, as assigned, on less than twenty-four hours notice, and never filed a grievance with respect thereto.

13. Another such instance in which the Company's policy and practice under Section 31 L. (which was and is that twenty-four hours notice is not required thereunder for pilots

already on duty) was followed after being questioned occurred on January 3, 1974, when First Officer Culpepper, then on reserve duty, was assigned to fly a flight on less than twenty-four hours notice. The Crew Scheduler's Log reveals he was notified to fly the trip at 03:00 hours Zulu on January 3, 1975, and that Culpepper stated "he needed 24 hrs. notice [and will call back when] he arrived at" Hill Air Force Base in Utah. (Exhibit A, p. 2)

14. Thereafter, the Log reveals that a message was sent to First Officer Culpepper at Hill Air Force Base at 04:15 Zulu (an hour and fifteen minutes later), confirming his assignment to the trip he questioned. The sending of the message was logged in the Crew Scheduler's Log at 04:30 Zulu. First Officer Culpepper flew the flight as directed by the Company, and did not file a grievance with respect thereto, or otherwise protest. (The message is page 3 of Exhibit A, and the Log entry, showing that the message was sent, is page 4 of Exhibit A).

15. The third instance in which a pilot questioned the Company's interpretation of Section 31 L. with respect to pilots already on duty occurred on January 4, 1974. The Crew Scheduler's Log shows that at 14:35 Zulu on that date, First Officer Teter, then a reserve pilot available that day for duty, was assigned to fly a trip on less than twenty-four hours notice. The Log then evidences that "he concurred but will grieve as no 24 hr. notice". First Officer Teter flew that trip and never filed a grievance with respect thereto. (Exhibit A, p. 5).

16. The final instance in which a pilot questioned the enforcement of the Company's interpretation that Section 31 L. was not applicable to on-duty pilots occurred on August 29, 1974. On that date, First Officer Bilbrey was notified at

13:12 Zulu that he had been assigned a flight to commence less than twenty-four hours from the time of notice. The Log records that First Officer Bilbrey "says he is requiring 24 hrs. notice for the flts." (Exhibit A, p. 6)

17. The next page of the Log shows an entry made at 14:20 Zulu (an hour and eight minutes later) that First Officer Bilbrey "advised [the Crew Scheduler] he will take the trip . . . on 24 hr. notice from 13:05 Zulu when 1st alerted by J. Louiso." (Exhibit A, p.7) However, First Officer Bilbrey flew the assigned flight as scheduled by ONA at 07:00 Zulu on August 30, 1974, and not 13:05 Zulu on August 30, 1974 as he claimed he would be entitled to do, had the twenty-four hour rule of Section 31 L. been applicable. First Officer Bilbrey filed no grievance with respect to this assignment or flight.

b. Those Instances Where Reserve Pilots Flew Trips On Their Available Duty On Less Than Twenty-Four Hours Notice Without Any Question Being Raised As To The Company's Policy and Practice

18. The following is a list, by date and pilot, of the remaining sixty instances in which reserve pilots were assigned, and flew trips on less than twenty-four hours notice on their available duty days without even questioning the propriety of the Company's practice and policy as to the inapplicability of Section 31 L., taken from the Crew Scheduler's Logs and flow sheets for ONA's Wilmington facility. I have those Logs and DC-9 flow sheets with me in Court, and they are available for examination.

Date	Pilot	Log Page No.
3 January 1973	F/O Curtis	page 192 - 196
5 January 1973	F/O Vinson	page 201
12 October 1973	F/O Moyer	page 15
26 October 1973	Captain Kakol	page 49
2 November 1973	F/O Bilbrey	page 70-71-73

Date	Pilot	Log Page No.
26 November 1973	Captain Vuncannon	page 132
10 December 1973	F/O Bilbrey	page 169 - 170
28 December 1973	F/O Strother	page 209
19 February 1974	F/O McKendry	page 38
26 February 74	F/O O'Connor	page 45
1 April 1974	F/O Strother	page 105
10 April 1974	F/O Vinson	page 119
19 May 1974	F/O Bilbrey	page 173
13 June 1974	Captain Roggero	page 207
22 June 1974	F/O Boettcher	page 217
24 June 1974	Captain Crawford	page 219
27 July 1974	Captain W. Carrier	page 269
5 August 1974	F/O Cranford	page 282
26 August 1974	F/O Bilbrey	page 4
25 September 1974	Captain Glaze	page 53
7 October 1974	F/O Ferry	page 68
17 October 1974	Captain Case	page 85
1 November 1974	F/O Winters	page 119
9 November 1974	Captain Ball	page 133
14 November 1974	Captain Weiner	page 139
28 November 1974	Captain Steinhagen	page 167
27 January 1975	Captain Jones	page 2
29 January 1975	Captain Fenwick	page 12
6 February 1975	F/O Wilson	page 29
17 February 1975	Captain Bradford	page 58
17 February 1975	F/O Joseph	page 60
1 March 1975	Captain Whitehouse	page 88
14 March 1975	Captain Fenwick	page 110
26 March 1975	F/O Usher	page 137
29 March 1975	Captain Mosher	page 147

Date	Pilot	Log Page No.
31 March 1975	Captain Adrian	page 152
5 April 1975	F/O Briscuso	page 162
25 April 1975	Captain Cooper	page 196
25 April 1975	F/O Petrikas	page 195
1 May 1975	Captain Deal	page 210
5 May 1975	Captain Holloway	page 217
29 January 1974	F/O Hopper	page 39
31 January 1974	Captain N. Dee	page 45
6 March 1974	Captain Stanton	page 136
13 March 1974	F/O Prince	page 157
16 March 1974	Captain McConnell	page 163
19 March 1974	F/O Prince	page 171
24 March 1974	F/O Padovano	page 181
4 April 1974	Captail Brege	page 210
4 April 1974	F/O Schadle	page 210
9 April 1974	Captain Parker	page 221
9 April 1974	F/O White	page 221
11 April 1974	F/O Hopper	page 225
16 April 1974	Captain McConnell	page 234
24 April 1974	F/O Swertfeger	page 249
1 May 1974	F/O Thimling	page 262
13 May 1974	Captain McConnell	page 280
17 May 1974	F/O White	page 286
27 May 1974	F/O Thimling	page 300
29 May 1974	F/O Thimling	page 302

19. In none of these instances, and in no other instance of which I am aware, has any ONA pilot on any piece of equipment filed a grievance with respect to being assigned to fly a trip on his reserve duty days on less than twenty-four hours notice.

III

ONA Has Always Designated The Place
At Which Reserve Pilots Were To Be
On Their Reserve Duty Days

20. It has also been consistent policy and practice of ONA to designate the place where pilots on reserve will be available on their reserve duty days. For example, on numerous occasions I have designated that pilots be available on their reserve duty days at a location other than their equipment domicile. I have made such assignments to Ypsilanti, Michigan, Miami, Florida and Robins Air Force Base, Georgia, where the Company anticipated it would have a need for reserve crews to fly flights upon short notice. When such assignments were made, reserve crews were usually assigned to fly, and did fly trips on just a few hours notice. There was never any claim that such positionings or assignments violated Section 31-F of the Collective Bargaining Agreement. Rchi

Robert G. Waring

Sworn and subscribed to before
me this 13th day of June, 1975

Notary Public

LOUIS A. MANGONE
NOTARY PUBLIC, State of New York
Qualified in New York County
Commission Expires March 30, 19..

25/1645Z CONTACTED F/O W. GREGGORY AND ASSIGNED HIM ONF-SOS# FLT, HE SAID HE COULD NOT DO THAT BECAUSE HE WAS NOT GIVEN 24 HRS NOTICE, ADVISED HIM HE DOES NOT NEED 24 HRS NOTICE AND TO CALL CAPT P. ROWLAND IF HE DIDN'T BELIEVE ME, OR HE WILL CALL HIM AND THEN WILL CALL ME BACK. OK EB

25/1715Z NO CONTACT CAPT J. FINK IN REGARDS TO DUTY DAYS. EB

25/1725Z NO CONTACT F/O R. USHER IN REGARDS TO HIS DAYS OF REST. EB

~~25/1735Z RECD CALL FROM F/O W. GREGORY, HE SAID TALKED TO CAPT ROWLAND AND HE ADVISED THAT HE DIDN'T NEED 24 HR NOTICE, BUT~~

25/1745Z RECD CALL FROM F/O A. DEE, ADVISED HIM OF 1500Z DEPT ON H/C IN MORNING, ALSO OFFERED HIM EVERGLADES SOUTH OS# FLT AND MOVIE-STAR, HE ACCEPTED. EB CONTACT NR. 305-782-5483

25/1750Z RECD CALL FROM F/O GREGORY, HE WILL FLY ONF-SOS# FLT YIP-MIA UNDER PROTEST, OF LESS THEN 24 HR NOTICE AND HE IS A RESV ON DUTY, ALSO GAVE HIM COMM RESV TO YIP AND TO BE POSN FROM MIA. EB.

25/1830Z RECD CALL FROM CAPT B. CARRIER HE IS POSITIONING TO YIP IN THE MORNING, OK AND WILL STAY AT SHERATON METRO. OK EB.

25/1910Z ADVISED OF EAX FRIDAY - MIA-STM-SJU-RMY-MIA, THEN ONF-S CREW FRI NITE WILL FLY MIA-MSY-YIP-ATL-JAX-MIA, ALSO MOVIE STAR ON SAT IS EAX AND W060 FLT WILL GO WRB-MWRB. EB.

02/2350Z PUT E VINSON ON 2HR ALERT FOR S-003 ALSO ADVISED HIM TO D

02/0200Z ALERTED CAPT STEINHAGEN & VINSON TO ASAP DEP S-003 DS

03/0307Z CONFIRMED CRAWFORD ON 4/103 DS

LATE ENTRIES ADVISED GLOVE THAT M-005 IS CNX & GAVE HIM REPLACEMENT 4TH MIA-STM-MIA-OIK. HOWEVER HE IS FEELING A LITTLE UNDER WX HOPES HE CAN COMPLETE TRIPS. ALSO PUT HIM ON ALERT FOR FLT (STM 003) DS

ALSO ADVISED ROBERTS M-005 CNX & GAVE HIM REPLACEMENT FOR 4TH MIA-STM-MIA. ALSO PUT HIM ON TWO HOUR ALERT FOR STM. HE WILL CALL MONTROSE THUR REF SKED MEETING.

03/0300Z ADVISED BY R BRAUNERT HE ADVISED CULPEPPER TO P/U 4QR03 + 4RB05 HE SAID HE NEEDED 24 HRS NOTICE WILL CALL BK WHEN ARV'S HIF DS

LATE ENTRY ADVISED WINTERS HIS W-005 WILL TERM WRB VICE MIA. DS

OPS REPORT SUMMARY S-003 CREW WERE ALERTED AT 0200Z TO ASAP DEP, HOWEVER AFTER THEY SLOWED WRB JAX WX WENT DOWN. THEY DEP WRB ANYWAY & STANDING BY AT YIP FOR FURTHER INFO ON WX AND/OR OVERFLYS FM FORD. [EXHIBIT A - Page 2]
TALKED WITH R WARING. DISCUSSED POSS OF HAVING L-188 FLY STM THUR

WWWWW
TO MIE
FM ONA OPS ILN
030415Z

PLEASE PASS ON TO F/O CULPEPPER LA FLT 4P02 A/C 933.....

SAM AS PER UR CONVERSATION AT 0300Z WITH L-1R3 SKED MR BARNHART,
I AM CONFIRMING ASSIGNMENT OF LA FLTS 4P02S AND 4R02S AT THAT TIME.
PLEASE CALL ME FOR FURTHER TRIPS WHICH YOU MIGHT EXPECT
TKS
SLAUGHTER/ CREW CONTROL
END
WWW

JAN 74

CONT'D IF S-003 CREW UNABLE TO DOP YIP. THEN HAVE VUNCANNON + TETER FLY S 004 FM ATL OR WRB + SO HOT S-003 COULD BE FLOWN LATE WITHOUT CAUSING DELAYS ETC. [redacted] WILL WAIT FOR WORD FM FORD ON OVERFLYS BEFORE PROCEEDING DS

03/0430Z SENT MSG TO HIF FOR Culpepper CONFIRMING HIM ON HQR03 HRBOD IN WRITING DS

03/1100 WELNIAK ON DUTY

03/1145 RECD CTR FM. CAPT STEINHAGEN, ALSO HE ADVISED ME WILL BE ABLE TO COMPLETE ENTIRE TRIP MIA-MIA DUE CNX OF E/L (12).

03/1200 ALERTED C. GLAZE TO 1400 Z DEP OF STM (12).

03/1335Z Call from Capt Steinhagen - advised that since his E/L CNX tonight wants S-004 MIA/MIA — will plan on 2100 Local dep MIA for south. ok

03/1345 CONTACTED VUNCANNON & TETER ADVISED THEIR E/L CNX & STEINHAGEN & VINSON COULD FLY ENTIRE S-004 THEY CONCURRED & WILL DROP (P).

03/1404 RECD CALL FM. G. ESQUIVIAN HE ASKED AGAIN IF HES GOING TO BE PAID FOR 4330 I ADVISED HIM ACCORDING TO MONTROSE SKED THAT WE WOULD HAVE TO STICK TO OUR DECISION AS HE WAS 35 FPC AND ALSO JUNIOR TO OTHER PILOT WHO WAS ALSO SKED FOR SAME TRIP THROUGH ERROR ON MONTHLY DID LINES (L).

JAN 74

LATE ENTRY TALKED WITH J. FINK. WANTED TO KNOW WHY HE WAS NOT OFFERED STM EXX FRI 4TH. EXPLAINED IT WAS GIVEN TO C-GAZE AS MAKE-UP HE WANTS ALL OPEN FLYING. DS

04/0141Z PUT C GAZE ON TWO HOUR ALERT FOR STM FRI. HE IS STILL A LITTLE UNDER THE WX. HOPES HE CAN CARRY ON. DS

04/0310 RECD CALL FM. B. FERRY, COMP PROBABLE 100 HR ON 10 JAN @

04/0405Z TALKED WITH K ROBERTS HE IS GOING TO TRY & HAVE HOWELL P/U HIS STM FRI SINCE HE HAS TO BE IN JFK SAT. HE WILL FLY TRIP IF UNABLE TO GET HOWELL. DS

LATE ENTRY TALKED WITH ~~A[illegible]~~ KAKOL WANTED ME TO ASK D. CRAWFORD IF HE WOULD CONSIDER SWAPPING FORD FLTS I.E. - KAKOL WOULD P/U CRAWFORD'S W-010 & W-012 FOR CRAWFORD P/U KAKOLS W-023 W-025 DS

04/1130 WOLNIAK ON DUTY

04/1255 RECD CALL FM K. ROBERTS ADVISED ME NEEDS TO BE REPLACED ON STM TRIP IF IT STILL SKED TO FLY AS KEN HAS TO BE IN JFK SAT AM FOR MEETING WITH COMPANY @

[EXHIBIT A - Page 5]

04/1415 CONTACTED CAPT. VUNCANNON & GAVE HIM S-DTW-005 ~~[illegible]~~. TERM MIA HE CONCURRED. ADVISED HIM TO DHD TONITES WEST

04/1435 CONTACTED T. TETER GAVE HIM SAME S-005 HE CONCURRED BUT WILL GRIEVE AS NO [illegible] HR NOTICE.

6

Aug 74

LATE ENTRY ADVISED BY MONTROSE P. ROWLAND + VON-DOYMI WILL PLAN ON FLYING 4M"27" FM HIF TO MCC WHEN REQUIRED DS

8/1740Z ADVISED FINK TO CALL BEFORE POSN WRB FOR W-242. D S

08/1805Z CONFIRMED KENNAN ON ALERT FOR 4/128 DOES NOT WANT MAKE-UP D S

LATE ENTRY OFFERED K-BAUM 4V30 + 31 AS MAKE-UP WILL PICK ONE OR BOTH UP, WILL CONFIRM THUR AM DS

8/1934Z ADVISED THAT B. BOETTCHER WILL BE DHD 4P28 B. CARRIER WILL PLAN V SAME DS

8/2232Z. ALERTED B. BOETTCHER TO P/U W-243 WILL ADVISE WHERE FLT TERM WHEN KNOWN DS

LATE ENTRY ADVISED BY MRS DEROUIN OTTO WOULD BE UNABLE TO FLY HIS 4B30 4V31 ADVISED HER TO HAVE HIM CALL WITH HIS STATUS DS

8/2310Z OFFERED MANZINI 4V30 AS MAKE-UP DECLINED SAME DS

8/2-3307 CONTACT FOR CAPT R. CARRIER IF NEEDED IS 802-883-2263 RB

9/1200Z LOUISO ON DUTY

9/1242Z CONTACTED CAPT. FINK ADVISED HIM THE W-242 SUBSERVICE BY L-188 JL.

9/1312Z CONTACTED F/O GILGREY DEALERTED HIM FM W-242 ASSIGNED HIM 4V30, 31 FLTS, SAYS HE IS REQUIRING 24 HRS NOTICE FOR THE FLTS JL.

29/1317Z LEFT MSG AT GSB FOR F/O A ROBERTS TO CALL CREW SKD E.H.

29/1420Z Advised Flt Billney he has been assigned the 4U30 & 4U31 with q7002 dep was 30th & 31st. he advised will take trip 4U30 on 2nd for service from 1305Z when 1st alerted by L. Louso. ok

29/1445Z Confirmed with Capt K Brown he will fly 4U30 & 4U31 but to call this afternoon concerning his F/C status. ok

29/1538Z BREWER ON DUTY.

29/1645Z REC CALL FROM CAPT S. KAKOL, HE IS GOING TO RUN INTO 85HR PROBLEM ON 4H31 FLT, SAYS HE MIGHT BE ABLE TO MAKE IT TO TIX ON 4H31 IF HIS HOT SPOT IS NOT TOO MUCH. EB, HE SAYS HE IS AT 75 HRS RIGHT NOW. EB

29/1800Z REC CALL FROM F/O W. BURCHFIELD, ADVISED THAT HE MAY RUN INTO 85 HR PROBLEM IF HE GETS HIGH BLOCK ON 4J29 OR 4H31, HE WILL KEEP IN TOUCH. EB

29/1835Z LEFT MESSAGE FOR CAPT W. CARRIER TO CALL IN REGARDS TO 4H31 FLT. EB.

29/1950Z REC CALL FROM CAPT W. CARRIER, GAVE HIM THE 4H31 FLT, OK WILL CALL BACK LATER FOR RESV. EB.

29/2230Z REC CALL FROM CAPT W. CARRIER ~~HB~~ ADVISED HIM OF Comm RESV TO SLC. EB

29/2240Z ADVISED CAPT CASE ELY LILY FLT DUE INTO MIA AT 0000Z, OKED



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AGREEMENT

between

OVERSEAS NATIONAL AIRWAYS, INC.

and

THE AIR LINE PILOTS

in the service of

OVERSEAS NATIONAL AIRWAYS, INC.

as represented by

THE AIR LINE PILOTS ASSOCIATION,

INTERNATIONAL

July 1, 1973

to

March 1, 1975

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AGREEMENT

between

OVERSEAS NATIONAL AIRWAYS, INC.

and

THE AIR LINE PILOTS

in the service of

OVERSEAS NATIONAL AIRWAYS, INC.

as represented by

THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between OVERSEAS NATIONAL AIRWAYS, INC., a Delaware Corporation, (hereinafter referred to as the "Company") and the Air Line Pilots in the service of OVERSEAS NATIONAL AIRWAYS, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter referred to as the "Association").

It is hereby mutually agreed:

RECOGNITION

SECTION 1.

The Air Line Pilots Association, International has furnished to the Company evidence that a majority of the air line pilots employed by the Company have designated the Association to represent them and in their behalf negotiate and conclude an agreement with the Company as to hours of labor, wages and other employment conditions covering the pilots in the employ of the Company in accordance with the provisions of the Railway Labor Act, as amended.

DEFINITIONS

SECTION 2.

As used in this Agreement, the terms:

A. "Pilot" shall include Pilot-In-Command, Second-In-Command or relief pilot as defined in the current Federal Air Regulations. The Company may designate the Pilot-In-Command as "Captain", the relief pilot as Second-In-Command (Augmented crew) or the Second-In-Command on a two-pilot crew as "copilot."

B. "Captain" means a pilot who is responsible for the aircraft and for the manipulation of, or who manipulates, the flight controls of an aircraft while under way, and in the navigation of the aircraft while under way, including takeoff and landing of such aircraft, and who is

properly qualified to serve as and holds a currently effective airman's certificate and rating authorizing him to serve as a captain.

C. "Relief Pilot" means a pilot who is Second-In-Command on a multiple crew operation, any part of whose duties is to assist or relieve the captain in the manipulation of the flight controls and in the navigation of the aircraft while underway, including takeoff and landing of such aircraft and who has an assignment as such and who is properly qualified to serve as and holds a currently effective airman's certificate and ratings authorizing him to serve as such relief pilot.

D. "Copilot" means a pilot, any part of whose duties is to assist or relieve the captain in the manipulation of the flight controls and in the navigation of the aircraft while under way, including takeoff and landing of such aircraft and who has an assignment as such and who is properly qualified to serve as and holds a currently effective airman's certificate and ratings authorizing him to serve as such copilot.

E. "Month" means the period from the first day of to and including the last day of each calendar month of the year, except that the month of February shall include January 31 and March 1, the month of January shall exclude the thirty-first

(31st) day and the month of March shall exclude the first (1st) day.

F. "Fiscal Year" means the period from and including July 1 of any year to and including June 30 of the following year.

G. "Domicile" means the geographical point designated as a pilot domicile from which a pilot operates as a result of bid preference by system seniority or assignment.

H. "Domestic Operations" means any flight segment between any two (2) points within the contiguous forty-eight (48) states. The contiguous forty-eight (48) states shall include two hundred (200) miles parallel to any United States border.

I. "International Operations" means any flight segment which originates and/or terminates at any point outside the contiguous forty-eight (48) states except as provided in the foregoing paragraph.

J. "Calendar Year" means the period from and including January 1 of any year to and including December 31 of the same year.

K. "Calendar Quarter" means January, February and March inclusive; April, May and June inclusive; July, August and September inclusive; or October, November and December inclusive.

L. "Credit Hour" means an hour or fraction thereof for which a pilot is credited for

pay purposes pursuant to any provision of this Agreement.

M. "Temporary Assignment" means an assignment away from the domicile for a period up to forty-five (45) days.

N. "Longevity" means the cumulative total of years, months, and days that a pilot has been in the service of the Company, excluding periods of furlough and leaves of absence.

PILOT'S PAY

SECTION 3.

A. Longevity Pay

Each first pilot will be paid the following longevity pay, determined by his longevity with the Company as a pilot (computed as the sum of his copilot, relief pilot and first pilot service) at the following rates per hour flown:

Longevity	DC-10		DC-8-63	
Year	7-1-73	6-1-74	7-1-73	6-1-74
1st Year	2.54	4.52	3.00	4.71
2nd Year	2.89	4.89	3.35	5.08
3rd Year	3.23	5.24	3.69	5.43
4th Year	3.57	5.60	4.03	5.81
5th Year	3.92	5.96	4.38	6.16
6th Year	4.26	6.32	4.72	6.51
7th Year	4.60	6.68	5.06	6.87
8th Year	4.94	7.03	5.40	7.22
9th Year	5.28	7.39	5.74	7.58
10th Year	5.63	7.75	6.09	7.94
11th Year	5.98	8.12	6.44	8.31

Longevity	DC-8-55		DC-8-21	
Year	7-1-73	6-1-74	7-1-73	6-1-74
1st Year	2.80	4.44	2.64	4.24
2nd Year	3.15	4.80	2.99	4.60
3rd Year	3.47	5.14	3.33	4.96
4th Year	3.83	5.51	3.67	5.32
5th Year	4.18	5.88	4.02	5.68
6th Year	4.51	6.23	4.36	6.04
7th Year	4.86	6.59	4.70	6.39
8th Year	5.20	6.95	5.04	6.75
9th Year	5.54	7.30	5.38	7.10
10th Year	5.89	7.67	5.73	7.47
11th Year	6.24	8.03	6.08	7.83

Longevity	DC-9		L-188	
Year	7-1-73	6-1-74	7-1-73	6-1-74
1st Year	3.10	4.57	3.35	4.61
2nd Year	3.45	4.94	3.72	4.99
3rd Year	3.79	5.29	4.08	5.37
4th Year	4.15	5.67	4.43	5.74
5th Year	4.51	6.05	4.79	6.11
6th Year	4.85	6.40	5.14	6.51
7th Year	5.21	6.78	5.54	6.90
8th Year	5.56	7.14	5.88	7.25
9th Year	5.91	7.51	6.25	7.64
10th Year	6.27	7.89	6.62	8.03
11th Year	6.62	8.25	6.97	8.39

B. Pay - First Pilots

In addition to longevity pay, each pilot while flying as first pilot shall be paid:

1. Hourly pay based on equipment whether flying is day flying or night flying.

Equipment	Hourly Rate
DC-10-30	$18.44
DC-8-63	17.48
DC-8-55	16.00
DC-8-21	15.90
DC-9-10/30	15.88
L-188	13.29

The speed for mileage pay purposes shall be assumed to be:

Equipment	Speed
DC-10-30	600
DC-8-63	525
DC-8-55	525
DC-8-21	525
DC-9-10/30	575
L-188	450

2. Gross weight pay to be based upon two cents (2¢) per hour for each one thousand (1,000) pounds of aircraft being flown by the Company. For the purpose of computing maximum gross weight pay the total weight figure to the nearest one thousand (1,000) pounds of the maximum of the certified gross weight of the type of aircraft shall be used.

Equipment	Gross Weight
DC-10-30	555,000
DC-8-63	355,000
DC-8-55	355,000
DC-8-21	325,000
DC-9-10/30	114,000
L-188	116,000

3. Mileage pay to be based on two cents (2¢) for each mile flown. The speeds for mileage pay computation purposes shall be those speeds set forth in Section 3 B. 1.
4. International Pay: DC-9 and L-188 captain shall be paid monthly, in addition to the other rates of compensation stipulated above, at the rate of two dollars ($2.00) for each hour flown in International Operations.
5. In addition to other rates of compensation stipulated above, all hours flown on DC-10 and DC-8 INS equipped aircraft shall be paid monthly at a rate of two dollars and fifty cents ($2.50) for captains and one dollar and fifty cents ($1.50) for copilots.

C. Pay - Copilots

1. Copilot percentage of total captain's pay shall be based on their total longevity with the Company as copilot, relief pilot, and captain as follows:

	7-1-73	6-1-74
1st 6 months	682.50*	713.22*
2nd 6 months	739.20*	772.42*
2nd year copilot paid 50% of 2nd year captain's total pay		
3rd year copilot paid 62% of 3rd year captain's total pay		
4th year copilot paid 64% of 4th year captain's total pay		
5th year copilot paid 66% of 5th year captain's total pay		
6th year copilot paid 68% of 6th year captain's total pay		

7th year copilot paid 70% of 7th year captain's total pay
8th year copilot paid 72% of 8th year captain's total pay
9th year copilot paid 73.5% of 9th year captain's total pay
10th year copilot paid 75% of 10th year captain's total pay
11th year copilot paid 77% of 11th year captain's total pay

*Flat Salary

In computing the pay of relief pilot as defined in Section 2 C, fourteen percent (14%) shall be added to the above percentages in all longevity brackets.

2. Any pilot other than a captain, with an ATR and one thousand (1,000) hours experience in turboprop and/or turbojet fixed wing equipment or combination thereof, shall receive a premium of fifty dollars ($50.00) per month during the first twelve (12) months of longevity as a pilot with the Company.
3. A pilot who is in his first (1st) year of employment who has flown as a captain in the service of the Company and who is subsequently for reasons beyond his control reduced to copilot or relief pilot shall be paid second (2nd) year copilot percentage pay.

A copilot who completes his first (1st) year of service with the Company shall receive not less than his first (1st) year co-

pilot monthly salary during any month of his second (2nd) year.

D. Minimum pay - Pilots

1. Each pilot shall be guaranteed a minimum of sixty-five (65) credit hours of flying pay per month based upon his applicable rate of compensation as computed in this Agreement. A pilot who earns more than the minimum of guaranteed credit hours per month shall be paid for the excess hours during the month following the month in which they were earned. Hours of flying pay shall be computed at the rate or rates actually earned during that month in any status or type of equipment.

2. A pilot who flies less than his applicable guaranteed hours in a month and who flies in more than one (1) status, i.e., copilot, relief pilot, or who flies more than one (1) type of equipment, shall have his minimum pay computed as follows: The total number of hours actually flown in each status and type of equipment shall be determined and each shall be reduced to a percentage of the total hours actually flown. These percentages when applied to the minimum number of hours to which he is entitled under this Section shall give the number of minimum hours to be paid at the applicable rates for each status and type of equipment. When a pilot's compensation falls within this sub-section, international pay for hours actually flown shall not be used to offset his guarantee, neither shall

international pay be used in computing minimum compensation applicable. Excess compensation earned as a relief pilot or captain shall not be used to offset a co-pilot's guarantee. A pilot during his first (1st) year of longevity as a pilot with the Company shall be paid the monthly salary set forth in C 1. of this Section for all flying up to a maximum of one thousand (1,000) hours per year.

3. However, in any month in which a pilot (other than first (1st) year copilot) flies less than his guaranteed monthly hours, he shall be paid for such unflown hours at a rate equal to the average hourly rate applicable to hours actually flown during the same month (or in the last month in which flying was performed).

4. During any calendar month that a pilot is unavailable for a portion of such month, either voluntarily or due to furlough or recall from furlough, his guarantee for such month is to be prorated on a ratio of the number of days available, including required days of rest, to thirty (30), or a ratio of the number of hours actually flown to the applicable monthly guaranteed hours, whichever is greater.

5. Monthly accountability shall begin July 1, 1973.

E. Retroactive Pay

Retroactive pay in the amount of five percent (5%) of pay earned during the period July 1, 1972 through June 30, 1973, will be paid. Such retroactive pay will only be paid to pilots in the employ of the Company on July 1, 1973. No retroactive pay will be paid on Sections 5 E 2 penalty pay and no retroactive pay will be paid on vacations earned prior to July 1, 1971.

NEW EQUIPMENT

SECTION 4.

A. When an aircraft not presently covered by this Agreement is placed into operation, irrespective of any provision of Section 35 of this Agreement, conferences will be initiated by either the Company or the Association under the provisions of the Railway Labor Act, as amend d, for the purposes of negotiating salaries, rules and working conditions of pilots and copilots for such aircraft, such conditions to be retroactive as of the date of first (1st) revenue flight by the Company utilizing such new aircraft. Conferences shall begin not later than thirty (30) days after request has been made for such conferences and conferences shall be concluded not later than six (6) months after the date of the first (1st) revenue flight of the new aircraft unless mutually agreed upon between the Company and the Association.

D. The Overseas National Airways Pilot's Air Safety and Engineering Committee will be consulted on a timely basis insofar as configuration and quality of controls, flight instruments, navigation equipment and any equipment pertaining to the direct flight operation of any aircraft not presently covered by this Agreement.

HOURS OF SERVICE

SECTION 5.

A. Monthly Service Limitations. Domestic: Eighty-five (85) credit hours shall constitute the monthly maximum utilization for domestic flight operations for pilots of all equipment types.

B. Monthly Service Limitations. International:

1. First (1st) and fourth (4th) quarters of year.

One hundred (100) credit hours shall constitute the monthly maximum utilization for international flight operations for pilots of all equipment types, provided that the Company shall not utilize any pilot in such operations in excess of two hundred fifty-five (255) credit hours in such calendar quarters.

2. Second (2nd) and third (3rd) quarters of year.

One hundred (100) flight hours shall constitute the monthly maximum utilization for international flight operations for pilots of all equipment types, provided

the Company shall not utilize any pilot in such operations in excess of two hundred fifty-five (255) flight hours in such calendar quarters.

C. Definitions:

1. Credit Hour: A credit hour or fraction thereof is defined as an hour or fraction thereof for which a pilot is credited for pay purposes pursuant to any provision of this Agreement.

2. Domestic Flight Operations: Any flight segment between any two (2) points within the contiguous forty-eight (48) states. The contiguous forty-eight (48) states shall include two hundred (200) miles parallel to any United States border.

3. International Flight Operations: Any flight segment which originates and/or terminates at any point outside the contiguous forty-eight (48) states except as provided in the foregoing Paragraph.

4. Computation: When a pilot is utilized in both domestic and international flight operations in any month in the first (1st) and fourth (4th) quarters of the year one hundred (100) credit hours shall constitute the monthly maximum.

5. In the second (2nd) and third (3rd) quarters of the year the majority of the time flown in any month or quarter, as the case may be, will determine whether the Domestic

or International limitation will be applied.

D. Other flying for Compensation: This agreement contemplates that pilots shall devote their entire professional flying service to the Company, except that nothing in this Agreement shall be construed to prevent a pilot from affiliating with the military and naval services of the United States.

E. Days of Rest:

1. Each pilot is entitled to not less than thirty-six (36) days of rest at his domicile per calendar quarter. The Company will make every reasonable effort to provide this average of twelve (12) days of rest per month on a monthly basis. The guaranteed number of quarterly days of rest shall be reduced proportionately to provide for periods of vacation, upgrade training, sick leave, leave of absence and furlough.

2. In any calendar quarter in which a pilot receives less than his guaranteed number of quarterly days of rest, as prescribed in Part 1 above, that pilot shall be paid at the conclusion of the calendar quarter, as computed in accordance with the formula set forth below.

Read in column "A" the difference in days of rest earned and days of rest received. Read in column "B" days to be paid.

A	B	A	B	A	B	A	B
1	3	10	20	19	38	28	56
2	4	11	22	20	40	29	58
3	6	12	24	21	42	30	60
4	8	13	26	22	44	31	62
5	10	14	28	23	46	32	64
6	12	15	30	24	48	33	66
7	14	16	32	25	50	34	68
8	16	17	34	26	52	35	70
9	18	18	36	27	54	36	72

When proper days of rest have been scheduled and have not been received through no fault of either the Company or the pilot, (i.e., weather, mechanical, etc.) the pilot may be removed from a bid trip(s) in the last month of a quarter in order to provide guaranteed days of rest not received. The pilot shall have the option of selecting the trip(s) he drops providing he does so by the tenth (10th) of the affected month, considering reserve availability and he gives crew scheduling at least seventy-two (72) hours prior notice.

Computation of daily average rate of pay: A pilot's daily average rate of pay for any calendar quarter shall be computed by dividing his total pay credit from the Company during that calendar quarter by the total number of days during that calendar quarter in which the pilot was on active payroll status with the Company.

F. Days of Rest, Days of Duty: For the purpose of this section the day on which a pilot is called out and reports for duty shall be considered a day of duty, and the day a pilot returns to his domicile shall be considered a day of duty. Calendar day shall be based on the pilot's domicile. A full day is defined as 00:00 to 23:59 local time.

G. Daily Flight Time Limitations and Rest Periods:

1. Domestic Flying:

a. A pilot will not be scheduled to fly in excess of eight (8) hours block to block in any twenty-four (24) consecutive hours without an intervening rest period.

When the required rest period is nine (9) hours or less, one (1) hour will be added to the required rest period.

b. A pilot shall not be on duty in excess of sixteen (16) hours.

c. On duty time will begin two (2) hours prior to scheduled departure or at sign in and end thirty (30) minutes after block in or at sign out.

2. International Flying:

a. A pilot shall not be scheduled to fly in excess of twelve (12) hours block to block in any twenty-four (24) consecutive hours without a rest period.

b. A pilot shall not be scheduled for on

duty in excess of sixteen (16) hours with a maximum of eighteen (18) hours.

c. On duty time will begin two (2) hours prior to scheduled departure or at sign in and end thirty (30) minutes after block in or sign out.

d. A minimum rest period will consist of nine (9) hours in the hotel.

3. International and Domestic Flying:

a. Time spent in deadheading or commercialing to or from a duty assignment will not be considered as rest.

b. All time spent in deadheading or commercialing shall be considered on duty time for the purposes of complying with duty time limitations unless at least ten (10) hours of rest is given before being assigned to flight duty.

c. Pilots will not be assigned to ferry flights if the maximum on duty time or flight times will be exceeded.

H. Scheduling Planning Policy:

1. The Company shall establish on a monthly basis its requirements for pilots and shall establish the trip pairings, duty period assignments and proposed lines of flying which are to be used for each equipment type flown from each domicile or temporary base of operation in accordance with the provisions of this Schedul-

ing Policy. No revision of such pairings or duty period assignments may be made unless mutually agreed upon between the Vice President - Operations and/or his designee and the ALPA Local Scheduling Committee except as otherwise provided in Section 5E2.

2. A pilot shall be awarded a "Scheduled Line" assignment or a "Scheduled Reserve Line" assignment in order of his seniority and individual preference.

3. Definitions:

   a. "Scheduled Line" of flying shall be defined as a group of scheduled trips which have been paired together.

   b. "Scheduled Reserve Line" of flying shall be defined as a line without any scheduled trips, or group of trips paired together.

   c. An "Open Line" of flying shall be defined as a line with a scheduled trip, or groups of trips that cannot be reasonably paired or does not comply with paragraphs E1 and H6 of this Section.

   d. An "Open Trip" shall be defined as a trip appearing in an "open line" of flying or a trip, trip segment or series of trips for which a line holding pilot is not available.

4. The planning policy in pairing trips will

be to provide the best overall working conditions considering Federal Aviation Administration Regulations, the requirements of this Agreement, utilization, economy of operation and on-duty limitations. The planning policy shall also endeavor to pair trips within the consideration of this paragraph to make the more desirable pairings available to the senior pilot group.

5. Each pilot will fly his assigned trip(s) or portion(s) thereof unless deviation is permitted or required by the Vice President - Operations and/or his designee.

6. A "Scheduled Line" of flying shall reflect at least twelve (12) days of rest in any month as provided in paragraph E of this Section. Days of rest shall be so paired so as to provide the pilot with one (1) period of not less than four (4) days of rest. A "Scheduled Line" of flying shall not be less than the monthly guarantee number of hours, reduced by five (5) hours. If a "Scheduled Line" is less than the monthly guarantee number of hours, the Company will make every reasonable effort to provide more than twelve (12) days of rest on such bid line.

7. A "Scheduled Reserve Line" of flying shall be established for each nine (9) scheduled lines of flying or portion thereof and shall reflect not less than twelve (12) days of rest as set forth in paragraph E of this Section. The days of rest

shall be so paired as to provide the pilot one (1) period of no less than four (4) days of rest.

8. When a pilot has lost a trip(s) he shall be eligible for assignment to make up a trip(s). Such pilot is entitled to the first (1st) available trip from open flying that does not conflict with his bid line or days of rest.

9. A pilot who has been awarded a vacation during any month shall have the opportunity prior to the tenth (10th) of the preceding month to designate in writing to Crew Scheduling his choice of a block of his prorata days of rest during his vacation month. The Company shall construct a line of flying for such pilot during his vacation month after the bid lines, available for other pilots are constructed, and so that he will receive his chosen block of days off. If the pilot does not designate his choice of days off as set forth in this Paragraph, the Company shall construct a line of flying for him after the bid lines are constructed that will provide him with the prorated guaranteed days of rest.

10. When a pilot is notified of cancellation of his trip assignment and at the time of such notification the Company is unable to assign him a make-up trip, the pilot will then be available through telephone contact between any period or periods of 0930 to 12:30 local time that falls within

thirty-six (36) hours of the scheduled show time of the cancelled trip assignment, and he will be available for trip assignment on six (6) hours notice. Such trip assignment will not conflict with the pilot's bid line or days of rest unless he consents otherwise. Telephone contact means that the pilot will be available by his telephone during the stated period or will call Crew Scheduling during that period. This period of availability shall be counted as days of rest so long as the pilot is not used for flight or other duty on such days.

11. The Local Executive Council shall appoint a Local Scheduling Committee for each pilot domicile and for each type of equipment flown from that domicile to establish with the Company Local Scheduling Rules and to assist the Company in administering this Section. Pilot assignment, eligibility and competition for open flying shall be governed by the Local Scheduling rules.

12. It shall be mutually agreed upon between the Vice President - Operations and/or his designee and the Local Scheduling Committee that whenever it is found that any provision(s) of the Local Scheduling Rules no longer applies to the requirements of reasonable scheduling, or such time as it is desirable to amend any of the provisions, the Vice President of Operations and/or his designee and the

ALPA Central Scheduling Committee shall formulate such amendments and by mutual agreement submit said amendments to the Master Executive Council Chairman for his review and approval.

13. It shall be the joint responsibility of the Vice President - Operations and ALPA Central Scheduling Committee to insure that all pertinent information is forwarded to all concerned as it becomes available.

14. Flying from any temporary base of operations will be covered by this paragraph H.

DEADHEADING

SECTION 6.

A. When a pilot is assigned by the Company to deadhead to a station for the purpose of being scheduled out of that station as a pilot, or from that station after having flown into that station as a pilot, he shall be credited hours of service for pay and flight time limitation purposes as follows:

1. If traveling by Company aircraft, one-half (1/2) of the block-to-block time.

2. If traveling by turbojet or turboprop non-Company aircraft, one-half (1/2) the airline published scheduled time over the route actually flown.

3. If traveling by any other means, one-tenth (1/10th) of an hour flight pay credit will be granted for each twenty-five (25) miles,

or portion thereof, in excess of the first (1st) twenty-five (25) miles of published mileage between points, or fifty percent (50%) of the actual block time in excess of one (1) hour, whichever is greater.

B. Deadhead pay shall not apply when a pilot is being transferred to a permanent base as a result of Section 26.

C. Pilots deadheading to protect a trip will deadhead in the status of their next crew assignment. Pilots deadheading to their base will deadhead in the status of their last crew assignment.

D. A pilot attending recurrent ground school training or simulator training at a location other than the pilot's domicile, shall be awarded credit hours for all deadheading between his domicile and the school in accordance with the provisions of Paragraph A of this Section.

MISSING, INTERNMENT, PRISONER OR HOSTAGE OF WAR BENEFITS

SECTION 7.

A. Any pilot who, while engaged in the Company's operations is interned, captured, held as a hostage or as a prisoner of war, shall be paid monthly compensation equal to his monthly guarantee until released. If such pilot becomes involuntarily missing because of an act of aggression or war, he shall be paid his monthly guarantee until proof of his death is established in fact or until there is

a reasonable presumption of death, in which event the Company shall, in addition to the above compensation, cause to be paid the death benefits provided under Sections 8 and 9 of this Agreement to the beneficiary or beneficiaries designated in writing by the pilot prior to his disappearance.

B. Benefit Assignments. The monthly compensation allowable under Paragraph A of this Section to a pilot who is missing shall be credited to such pilot on the books of the Company and shall be disbursed by the Company in accordance with written directions from him. The Company shall require each pilot hereafter employed to execute and deliver to the Company, prior to such employment, a written direction in the form hereinafter set forth. The Company shall, as soon as practicable, require all pilots now employed to execute and deliver to the Company such a written direction. The direction referred to shall be in substantially the following form:

Date_____

"You are hereby directed to pay all monthly compensation allowable to me while missing under Paragraph A of Section 7 of that certain Agreement between OVERSEAS NATIONAL AIRWAYS, INC., and the Air Line Pilots in the service of OVERSEAS NATIONAL AIRWAYS,

INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL, as follows:

$_____ per month

to _____
(Name)

_____
(Address)

as long as living and thereafter to

_____
(Name)

_____
(Address)

as long as living.

"The balance, if any, and any amounts accruing after death of all persons named in the above designation shall be held for me or, in the event of my death before receipt thereof, shall be paid to the legal representative of my estate.

"The foregoing direction may be modified from time to time by letter signed by the undersigned, and any such modification shall become effective upon receipt of such letter.

"Payments made by the Company pursuant to this direction shall fully release the Company from the obligation of making any further payment with respect thereto.

_____
(Pilot's Signature)"

C. Any payments due to any pilots under this Section which are not covered by a written direction as above required shall be held by the Company for any such pilot and, in the event of his death, shall be paid to the legal representative of his estate.

D. Pilots shall maintain and continue to accrue seniority and longevity for seniority and pay purposes during periods in which they are missing, interned, a prisoner or hostage of war.

INSURANCE BENEFITS

SECTION 8.

The Company agrees to provide the following benefits at no cost to the pilot except as further indicated:

A. For each pilot during the first (1st) year of longevity and up to his fifth (5th) year of longevity, a standard group life policy of twenty-five thousand dollars ($25,000.00) death benefit. For each pilot in his fifth (5th) year or more of longevity, a standard group life policy of fifty thousand dollars ($50,000.00) death benefit. The Company shall continue to maintain this coverage during period of furlough up to and including the last day of the calendar quarter which follows the calendar quarter in which he is furloughed.

B. The Company shall continue its present policy with respects to basic and major

medical coverage, with the proviso that the policy will be amended as soon as feasible to provide a lifetime maximum benefit of two hundred and fifty thousand dollars ($250,000.00) and to provide a one thousand dollars ($1,000.00) "out of pocket" provision. The Company will pay the entire cost of the employee coverage and the pilot will pay the entire cost of the dependent coverage if dependent coverage is elected, except that those additional benefits which became effective 1 January 1971 shall be paid by the Company.

C. For each pilot with more than one (1) year of longevity who has elected to carry company arranged group hospitalization and major medical coverage for himself or his eligible dependents or both at his own expense during periods of normal employment, the Company will pay the premiums for such coverage during furlough periods up to and including the last day of the calendar quarter which follows the calendar quarter in which he is furloughed or until he returns to active service with the Company, whichever shall first occur.

D. The Company agrees to provide for benefits in the amount of one-hundred thousand dollars ($100,000.00) to each pilot for Accidental Death and Dismemberment caused by hostile action in a country where a state of war, whether

declared or undeclared, exists. Such benefits will also apply on flights that require an FAA waiver or on flights operated for the United States Government or any department or agency thereof, which would require such a waiver if it were not for the above.

E. The Company agrees to provide benefits in the amount of thirty-five thousand dollars ($35,000.00) for Accidental Death and Dismemberment to each pilot up to his fifth (5th) year of longevity. For each pilot in his fifth (5th) year or more longevity, the Company will provide benefits in the amount of fifty-thousand dollars ($50,000.00) for Accidental Death and Dismemberment.

F. Benefits described in Paragraph D and E are in addition to those described in Paragraph A.

G. To the extent the Company can arrange with its life insurance carrier, it will make available to pilots optional life insurance coverage in an amount of coverage equal to the amount of coverage paid for by the Company. The pilot will pay the entire cost of this optional coverage.

H. The Company shall continue group medical insurance for pilots and dependents who are eligible to receive benefits (normal, early or disability) under the ONA Pilots' Retirement Plans. Such

benefits to be reduced by any amounts payable under Medicare, such coverage to be paid for by the pilot at a rate not to exceed the average cost paid by the Company for these benefits for active pilots.

WORKMEN'S COMPENSATION BENEFITS

SECTION 9.

It is agreed that the provisions of the Workmen's Compensation Law of the Base Domicile of the pilot shall be applicable to all pilots and co-pilots covered by this Agreement, provided that if the Longshoremen's and Harbor Worker's Act or any compensation law if found to be applicable, such law shall apply in lieu thereof. All amounts payable under Section 8 hereof shall be in addition to any such Workmen's Compensation benefits. All amounts payable to or on behalf of a pilot under any such laws as a result of his being interned, captured, held as a prisoner or hostage of war by a foreign government or his being missing shall, so long as the Company is making payments on behalf of such pilot under Section 7 hereof, be paid to the Company to the extent of such payments by the Company. As a condition to making payments to any person under Section 7 hereof, the Company may require the assignment by such person of any amounts payable to him under such laws to the extent of such payments by the Company.

ESTATE SETTLEMENT

SECTION 10.

Any payment that may be due the estate (and not a named beneficiary) of a pilot under this Agreement may be made by the Company by payment to such person as may furnish the Company with a court certificate evidencing his appointment as legal representative of the estate and the receipt of such person for such payment shall release the Company of any further obligation to the estate or any other person with respect to such payment.

TRAVELING EXPENSES

SECTION 11.

A. 1. When a pilot is away from his domicile on duty, he shall receive fifty-five cents (55¢) effective June 1, 1973 and sixty cents (60¢) effective June 1, 1974 for each hour or fraction thereof that he is away from such domicile beginning at the show time of departure from the domicile and ending at the sign-in time of actual arrival at his domicile on return. This hourly rate is designated as compensation for meals, laundry and incidental expenses. The Company shall reimburse the pilot for any extraordinary expenses when submitted on the appropriate expense voucher and accompanied by customary receipts, subject to approval of the Vice President - Operations.

2. The Company will make every reasonable effort to book adequate lodging in first class hotels on a single occupancy basis for the exclusive use of pilots covered by this Agreement. The entire cost of lodgings will be assumed by the Company and pilots are required to utilize such lodgings booked and, in the event that the pilot elects not to use such lodging, he shall bear the sole responsibility for payment of any lodging he may secure. The Company will consider all suggestions and recommendations of the ALPA Hotel Committee(s) in designating crew hotels.

3. The Company will, in addition, provide ground transportation from the airport to the hotel and return or, in the event the Company does not provide ground transportation, it will reimburse pilots for all reasonable and necessary ground transportation expenses.

4. Any pilot in the employ of the Company on July 1, 1973 will receive a retroactive adjustment of his hourly per diem pay for the period of June 1, 1972 through May 31, 1973 so that his hourly per diem pay for that period will equal fifty cents (50¢) per hour.

MOVING EXPENSES

SECTION 12.

A. Pilots, when transferring from one (1) city to another, at Company expense, and billed on

Company purchase order, in accordance with the terms of this Agreement, will be allowed actual moving expenses between such two (2) cities for the pilot's household effects not to exceed fourteen thousand (14,000) pounds for surface shipping, insurance, packing, storage not to exceed thirty (30) days, unpacking and drayage. When personal automobile transportation is used, the Company shall allow expenses at the following rate: Eleven cents (11¢) per mile for the shortest AAA highway mileage between stations from which and to which he is being transferred, plus garage storage expenses while in transit and no other automobile expenses will be allowed. All expenses other than for household and automobile and as provided in Paragraph D shall be paid at the rate of seventy-five cents (75¢) per hour for the pilot and forty cents (40¢) per hour for each dependent while enroute. A minimum of three hundred (300) miles of travel per day shall constitute a day's travel by automobile for a movement of a pilot and dependents within the continental limits of the United States. For per diem purposes a day's travel for a movement other than by automobile shall be the actual time enroute by an acceptable method of commercial transportation. An acceptable method of commercial transportation for a movement shall be:

Airlines - Coach Service
Train - First Class

for which the pilot shall be reimbursed by the Company for the actual cost of such com-

mercial transportation. All expenses will be claimed on the appropriate Company expense form and must be submitted within thirty (30) days after the pilot receives the billing from the moving concern.

B. Pilots transferring from one (1) station to another at their own request or who are successful base bidders (except as otherwise provided in this Agreement) will bear their own moving expenses, however, space available transportation will be furnished to such pilots and their immediate families to the extent permitted by law.

C. Successful bidders on pilot assignments to newly established or re-established pilot bases will be considered as transferred at Company request and Paragraph A of this Section will apply.

D. Pilots and members of their immediate family actually moving to new domiciles shall have living expenses up to seven (7) consecutive days within the continental limits of the United States and up to fifteen (15) consecutive days outside the continental limits of the United States paid by the Company in the amount of ten dollars ($10.00) per day for the pilot, plus six dollars ($6.00) per day additional for each additional member of his immediate family. In addition, the pilot shall be granted seven (7) consecutive days free of all duty when actually moving to a new domicile in the United States and fifteen (15) consecutive days free of all duty when actually moving to a new domicile outside

the continental limits of the United States, such days to be credited as days of rest of the monthly and quarterly requirements of Section 5.

E. In the event a presently-established pilot base is terminated or closed, all pilots at such base shall be allowed moving expenses in accordance with Paragraphs A and D of this Section to any base to which they may move in accordance with the terms of this Agreement.

F. All household effects shall be insured for loss or damage if shipped by Company facilities. Protection against loss or damage shall be limited to twelve-thousand dollars ($12,000.00) total for the complete total shipment(s) of household effects.

G. Moving expenses will be reimbursed only when a pilot moves from a previous base to his new base. Move reimbursement will only be made if the pilot locates within one hundred fifty (150) miles of his new base.

H. Moving expenses will be reimbursed only for moves actually made within one (1) year of the implementation of the pilots new base assignment.

VACATIONS

SECTION 13.

A. Pilots will be entitled to vacation period based on length of service with the Company as follows:

1. A newly-employed pilot who has been in the service of the Company for a period of less than twelve (12) months as of July 1st of any year shall receive one (1) day's vacation for each month of service with the Company prior to July 1st. This vacation may be taken at any time during the next two (2) fiscal years.

2. After the provisions of sub-paragraph 1 of this Paragraph have been complied with, pilots in the service of the Company with less than five (5) years of longevity as of July 1st of any year will receive an annual vacation of fifteen (15) days; pilots with five (5) years of longevity but less than ten (10) years as of July 1st of any year will receive an annual vacation of twenty-one (21) days; pilots with ten (10) years of longevity and over as of July 1st of any year will receive an annual vacation of twenty-eight (28) days.

3. First pilots, relief pilots, and copilots on longevity pay status shall be paid one three hundred and sixty-fifth (1/365) per day of vacation of his previous fiscal year's total compensation, or two and sixteen hundredth (2.16) at his present rate of compensation, whichever is greater.

4. A pilot entitled to less than fifteen (15) days vacation shall be paid for each day of vacation a sum to be arrived at as follows:

a. Ascertain the compensation paid during the period in which the vacation was earned. Exclude from this amount any sums paid to the pilot during the period on account of vacation pay.

b. Ascertain the number of days the pilot was on the payroll during the period in which the vacation was earned. Exclude from this the number of days during that period that the pilot was on vacation status.

c. Divide a. by b.

B. The Company shall bulletin a roster of vacation periods available for the succeeding fiscal year, starting 1 July and ending 30 June. This roster will be published on 1 April and bids for vacations will be closed at midnight 15 May, and shall be awarded on or prior to 1 June. Vacations shall be posted on a fifty-two (52) week per year basis. Preference in periods in which pilots shall be permitted to take their vacations shall be granted in the order of seniority in equipment at the station at which they are based.

In the event that a pilot is a successful bidder for a vacation vacancy and subsequently is awarded a pilot vacancy at another station or on another type of equipment, he shall retain rights to his vacation award. In the event that foregoing presents a conflict in the number of vacations awarded in like equipment or a conflict in training requirements, the Company shall make every reasonable

effort to give this pilot his vacation as awarded, if the Company is unable to do so, this pilot shall be awarded his choice of vacation.

Pilots who do not elect to bid vacations may be assigned a vacation period at Company convenience.

C. Vacations shall not be cumulative (except vacation earned during first (1st) fiscal year of employment) and must be taken within the fiscal year following accrual. In the event Company operations do not permit a vacation to be taken during the fiscal year following accrual, a pilot may, at his option, take this vacation (or receive payment therefor) during the succeeding fiscal year.

D. In the event a pilot's services with the Company are terminated, he shall be paid vacation pay as follows:

1. If he is furloughed or has completed one (1) year of longevity with the Company and is terminated or resigns with the giving of two (2) weeks' written notice, he shall be paid for all vacation time accrued to date of furlough, termination, or resignation.

2. If he resigns and fails to give at least two (2) weeks' written notice of resignation, he shall receive no vacation pay whatsoever.

E. Pilots shall be granted the normal rest period upon return to home domicile before starting

a vacation. Such rest period shall not be less than one (1) calendar day.

F. The pilot's guarantee hours shall be reduced on a prorata basis for each day of vacation.

G. Pilot's monthly maximum flight credit limitations shall be reduced in accordance with Paragraph F of this Section.

H. In the event a pilot's vacation is cancelled due to the requirements of the Company, every reasonable effort shall be made to reschedule his vacation to a time selected by the pilot. If this is not possible, the provisions of Paragraph C of this Section shall apply.

SENIORITY GENERAL

SECTION 14.

A. The Pilots' Seniority List as agreed to by the majority of the pilots in the employment of Overseas National Airways dated June 1, 1956, shall be the basis for establishing the initial Seniority List of all pilots entitled to seniority thereunder as of the effective date of the Agreement.

B. Seniority of a pilot employed subsequent to June 1, 1956, shall be based upon his date of employment as a pilot with the Company. When more than one (1) pilot is hired on the same date they shall be placed on the Seniority List according to their age; i.e. the older pilot shall be given the lower number.

C. Seniority shall govern all pilots in case of promotion and demotion, their retention in case of reduction in force, their assignment or reassignment due to expansion or reduction in Schedules, placement or replacement, their reemployment after release due to reduction in force and their choice of vacancies, provided that the pilot's qualifications are sufficient for the operation to which he is to be assigned and provided that for the purpose of this Agreement the phrase "sufficiently qualified" means his qualifications as an air line pilot, exclusive of routine familiarization flights. If the senior pilot bidding for a vacancy does not have the required equipment ratings, he shall be afforded the regular Company Check-out on such equipment to obtain such ratings. This Section shall apply except as otherwise stipulated in this Agreement.

PROTESTS OF SENIORITY LIST

SECTION 15.

A. Copies of the Overseas National Airways Pilots' Seniority List will be brought up to date by the Company as of January 1 and July 1 of each year and shall be posted at all pilot base stations where pilots are based and shall constitute the official current list and shall indicate a pilot's status and base assignment. Further, a copy of the list shall be mailed to each pilot. Such seniority list shall include the date upon which seniority is based as shown in Section 14. Each pilot shall be allowed a period of ninety (90)

days after the posting of each list within which to protest any alleged omission or incorrect posting affecting his seniority. A pilot who does not protest such alleged omission or incorrect posting within ninety (90) days after posting of the list upon which it initially appears shall thereafter be precluded from protesting same. The above shall not be applicable to probationary employees falling within these limitations. Probationary employees shall have ninety (90) days after probation period to grieve under this Paragraph, but such protest shall be strictly confined to errors or changes occurring subsequent to the posting of the prior Pilots' System Seniority List.

B. Any pilot once having established a seniority date hereunder shall not lose that date except as provided for in this Agreement.

SENIORITY PROMOTIONS

SECTION 16.

A. A pilot shall be given an opportunity to qualify for promotion (copilot to captain) or transition (change of equipment) in accordance with system seniority at any time, subject to the needs of the service as determined by the Company and subject to Section 14. Pilot vacancies of any nature except supervisory and instructor positions will be filled in accordance with this procedure. If a pilot is entitled by seniority to fill a vacancy and cannot do so, due to not being qual-

ified in equipment or routes, the Company will provide the means necessary to qualify such a pilot. In the event of an emergency where it becomes necessary to circumvent seniority in filling a vacancy and the Company is unable to provide means of qualifying the pilot entitled to the vacancy by rights of seniority, such pilot will be paid the amount he would have received had he been qualified and filled the vacancy until such time as he is qualified or the vacancy no longer exists.

B. When a pilot fails to qualify the Company shall offer him a second (2nd) opportunity to qualify.

1. If the pilot elects not to accept this opportunity, he shall revert to his former position and his eligibility to bid future promotion or transition opportunities for the succeeding two (2) year period will be at Company discretion. If he bids again after the two (2) year period for any other promotion or transition on the equipment on which he failed or any other equipment and fails again, his case shall be handled as the circumstances indicate to the Company, subject to Section 16, except that a pilot who has been displaced shall receive two (2) additional opportunities to qualify for a promotion or transition.

2. A pilot accepting the second (2nd)

opportunity after failing to qualify for promotion to Captain status shall be permitted to fly as a copilot for at least one hundred (100) but not more than three hundred (300) flying hours on the equipment on which he failed to qualify as Captain provided he qualifies as a copilot on that equipment. After flying as a copilot for this period the pilot will be given the additional opportunity to qualify for promotion to Captain. If he should fail the second attempt, his case shall be handled as the circumstances indicate to the Company, subject to Section 16.

3. A pilot accepting the second (2nd) opportunity after failing to qualify for transition from copilot status on one (1) type of aircraft to another type shall revert to copilot status on the type of equipment on which he is qualified for a period not to exceed ninety (90) calendar days. After flying as a copilot on this type of equipment for this period the pilot will be given the additional opportunity to qualify for copilot on the equipment on which he failed. If he should fail the second (2nd) attempt, his case shall be handled as the circumstances indicate to the Company, subject to Section 16.

4. In any event under the conditions of this Paragraph B, the pilot shall re-

ceive from the Company a written statement of his current and future status with the Company.

5. The failure as specified in this Paragraph B does not apply to the failure of a pilot to pass his FAA type rating where immediate remedial training is prescribed and is followed by a subsequent satisfactory type rating check.

C. 1. Any pilot who accepts training in any type of the Company's aircraft shall be locked into such aircraft for a period not to exceed twelve (12) months. This twelve (12) month period shall start from the date of entry of training, or three (3) months after the date of the bid award, whichever comes first.

2. For the purpose of bidding out of a lock-in, the estimated start of training as stated in the invitation to bid shall be used to determine whether the lock-in period overlaps. The Company shall make an effort to be conservative in its estimate of the projected start of training.

3. When a pilot bids and is awarded a vacancy which places such pilot in a status lower than his previously held status (a situation which results in reduction of guarantee pay by bid choice), the pilot shall be locked into such aircraft for a period not to exceed eighteen (18) months from the date of entry of training, or three (3) months after the

date of the bid award, whichever comes first.

4. The only exception to this equipment freeze will be by mutual agreement between the Company and the Master Executive Council Chairman. In the event of reduction in force, this Paragraph C shall not apply and all pilots affected may exercise their seniority rights.

SENIORITY (REDUCTION LEAVES)

SECTION 17.

A. Pilots furloughed by the Company after the effective date of this contract due to reduction in force, on return to duty shall be allowed for seniority purposes all time accrued prior to such furlough but shall not continue to accrue seniority during the period of furlough. All seniority shall be cancelled at the end of five (5) years from the effective date of such furlough.

B. Pilots laid off due to reduction in force shall be released in reverse order of system seniority except that if two (2) or more pilots are to be furloughed, such pilots who are at their home domicile may be furloughed even though a pilot who is junior to them is away from his home domicile on a trip and shall not be furloughed until he completes such trip, provided that the operation of this Paragraph shall not affect the relative seniority positions of such pilots.

C. When a senior pilot has had an opportunity to bid on a certain foreign base station and chose not to do so and a junior pilot bids or is assigned to the vacancy and later there is a reduction in the number of pilots employed by the Company, such senior pilot may choose to displace such junior pilot in lieu of furlough, provided the senior pilot shall pay his own moving expenses. The effective date of a furlough cannot be prior to the expiration of due pro-rated days of rest. A pilot's longevity shall be credited for days of vacation paid for but not taken at the time of furlough.

D. All pilots furloughed by the Company due to reduction in force shall file proper addresses with the Personnel Director of the Company (or a person designated by the Company to perform such function). The pilot must notify the person whose name is signed to the recall within seven (7) days of the postmarked date of the recall letter, that he will report for duty. Recall by the Company shall be by registered letter (return receipt requested) signed by addressee only. Any such pilot failing to return to duty within fifteen (15) business days after acceptance of recall, will be considered out of the service unless justifiable reason be presented therefor.

E. Recall after furlough shall be on the basis of the senior furloughed pilot being recalled first. The actual date of return to service with the Company after recall, consistent with the time limitations specified in Para-

graph C of this Section, shall not affect the relative seniority position of such recalled pilots. Longevity, for pay purposes will begin to accrue only on and from the actual date of return.

F. Whenever a relief pilot or copilot is assigned to a first pilot position or a copilot to a relief pilot's position, his new status will commence upon his departure in such new status. For pay purposes the most junior pilot in that status on the system may be reduced to a lower status at the initial departure of any trip on which he is an active crew member even though he may be away from his base.

LOSS OF SENIORITY

SECTION 18.

Any pilot whose services with the Company are permanently severed shall forfeit his seniority rights.

PERIOD OF PROBATION

SECTION 19.

All pilots will be on probation for their first (1st) six (6) months of service from date of first (1st) revenue flight as pilot with the Company. A copilot will be on probation for a period not to exceed the first twelve (12) months from date of first revenue flight as a copilot with the Company. Except for the first six (6) months' probation mentioned herein, the probation period for a copilot shall be ended by promotion to first or re-

lief pilot if such promotion occurs prior to the expiration of the first twelve (12) months' service.

LEAVES OF ABSENCE

SECTION 20.

A. When the requirements of the service will permit, a pilot may be granted a leave of absence. Such leave or leaves may be granted only when approved in writing both by the Company and the Master Executive Council of ALPA. However, if such leave is within the pilot's probationary period, seniority shall not accrue during such leave of absence.

B. If, during such leaves, a pilot shall permit his airline pilot's certificate or certificates required for his status to lapse, his seniority shall accrue only to such date of lapse. A pilot returning from an authorized leave or extension thereof as provided herein shall be permitted to resume his position in the same status and position at the base to which he was domiciled prior to the beginning of his leave, at the expense of the pilot. Return to flight duty after such leave shall be subject to a qualifying period not to exceed sixty (60) days at copilot salary.

C. When a leave is granted on account of sickness or injury, a pilot shall retain and continue to accrue his seniority whether or not he is able to maintain his airline pilot's certificate or certificates required for his status

until he is able to return to duty or is found to be unfit for such duty. Such leave for sickness or injury should not exceed a total continuous period of five (5) years except in those instances where sickness or injury occurred as a result of performing duties as an employee of the Company. Return to flight duties after such leave shall be subject to a reasonable qualifying period not to exceed six (6) months. Such qualifying period will be at copilot salary where sickness or injury occurred not as a result of performing duties as an employee of the Company.

D. A pilot returning from leave occasioned by sickness or injury shall be permitted to resume his status and exercise his seniority at the base to which he had previously been assigned, subject to Paragraph C of this Section.

E. A pilot on leave shall not, without prior written permission of the Company engage in aviation employment and in no case shall he engage in employment which may bring discredit upon the Company.

F. Any pilot who while on active status with the Company now is or hereafter becomes a member of the Air Force Reserve, Naval Reserve or Marine Corps Reserve or who is a member of any Reserve of the Army and who shall be called to active military service by the United States Government or any pilot who is otherwise ordered to active military service

of the United States Government shall be automatically granted a leave of absence by the Company which shall expire ninety (90) days after such pilot is eligible for discharge or release from active service. During any such leave of absence, the pilot shall retain and continue to accrue seniority. Return to flight duty after such leave of absence will be subject to a reasonable qualifying period not to exceed six (6) months.

G. Nothing herein shall be construed to prevent any pilot from affiliating with the military or naval services of the United States.

H. Any dispute arising hereunder concerning the physical fitness of the pilot concerned shall be settled in accordance with Section 25 of of this Agreement.

I. Longevity or length of service for base pay or salary purposes shall not accrue during any leave (other than for sickness or injury) unless such leaves are granted in the interest of the Company or to permit attendance as a representative of the pilots at conference(s) with the Company. Longevity or length of service for base pay or salary purposes shall accrue during leaves granted because of injury on duty and during the first ninety (90) days of any leave granted for sickness or injury sustained off duty.

TRANSFER TO NON-FLYING OR SUPERVISORY DUTY

SECTION 21.

A. A pilot transferred or assigned to non-flying or supervisory duty shall retain and continue to accrue seniority provided that such pilot maintains his airline Pilot's Certificate or certificates required for his status. If such pilot shall permit his certificate or certificates to lapse, he shall retain the seniority already accrued to the date of such lapse and shall have a period of not to exceed one (1) year in which to regain such certificate or certificates. If he does so regain such certificate or certificates within one (1) year, his seniority shall recommence to accrue from the date his certificate or certificates are so regained; otherwise he shall lose all seniority.

B. When a pilot is transferred or assigned to non-flying or supervisory duty because of any physical incapacity or becomes sick or injured while on such non-flying or supervisory duty, he shall retain and continue to accrue his seniority during such period of sickness or injury regardless of whether or not he is able to maintain his airline pilot's certificate or certificates required for his status until he is able to return to flying duty.

C. If such pilot engaged in non-flying or supervisory duty returns to line flying, he shall be permitted to resume his status at the base to which he had been previously assigned pro-

vided he has sufficient seniority.

D. Any disputes arising hereunder concerning the physical fitness of such pilot shall be settled in accordance with Section 25 of this Agreement.

E. A pilot transferred to non-flying or supervisory duty before he has completed his period of probation shall cease to accrue seniority until he returns to flying duty and he must complete his probationary period when he does return to flying duty.

F. Longevity or length of service for base pay or salary purposes shall accrue during assignments to supervisory or non-flying duty.

G. It is agreed that the seniority and promotion provisions of this Agreement shall not be operative respecting the assignments of pilots to technical, executive, and supervisory positions with the Company, including those of Chief Pilot, Assistant Chief Pilot and Check Pilot and the selection of appointees for such assignments shall be determined by the Company.

H. Nothing in this Agreement shall allow supervisory employees or officers of the Company to perform line flying in excess of thirty-five (35) hours per month subject to his seniority and other limiting provisions applicable to any other pilot under this Agreement and in accordance to the provisions specified in the Scheduling Policy Manual. Supervisory per-

sonnel shall be defined as Chief Pilot or higher status. The Company shall have no more than one (1) Assistant Chief Pilot per pilot base.

GRIEVANCE PROCEDURE

SECTION 22

A. Discipline and Discharge.

1. A pilot shall not be disciplined or dismissed from the service of the Company without notification in writing of such action nor without an investigation and hearing thereon, provided that such pilot makes written request for such investigation and hearing within seven (7) days after receiving such notification.

2. A pilot may be held out of service by the Company pending such investigation and hearing. The pilot who requests a hearing will continue on the payroll until the decision as set forth in Paragraph A 6. of this Section is rendered.

3. Such written request for an investigation and hearing shall be addressed to the pilot's immediate superior with a copy thereof to the Vice President-Operations.

4. Prior to such investigation and hearing, such pilot shall be notified in writing by the Company of the precise charge or charges against him. He shall be given the necessary time, not exceeding seven (7) days thereafter, in which to secure

the presence of witnesses and shall have the right to be represented by an employee of the Company of his choice or by his duly accredited representative or representatives.

5. Such investigation and hearing shall be held by an operating official of the Company designated by the Company for that purpose and shall be held within ten (10) days after the receipt of the pilot's written request therefor.

6. Within ten (10) days after the close of such investigation and hearing, the Company shall render its decision in writing and shall furnish the pilot, or his duly accredited representative a copy thereof.

7. If, as a result of any hearing or appeal therefrom as provided herein, a pilot is exonerated, he shall, if he has been held out of service, be reinstated without loss of seniority and shall be paid for such time lost in an amount which he would have ordinarily earned had he been continued in service during such period.

8. If, as a result of any hearing or appeal therefrom as provided herein, a pilot shall be exonerated his personnel record shall so indicate.

9. No negative report or derogatory material, which is more than five (5) years old, shall be used against a pilot in a disciplinary action.

B. Other Grievances. Any pilot or pilots covered by this Agreement who have a grievance concerning any application or interpretation of this Agreement, except matters involving discipline or discharge, shall have such grievance considered in accordance with the following procedure:

1. Grievances under this Paragraph B must be filed within ninety (90) days after the pilot has, or reasonably would have had knowledge of the matter giving rise to the grievance.

2. A written request for a hearing setting forth a statement of the facts out of which such grievance arose, the provision or provisions of the Agreement upon which the grievance is based and the relief sought shall be filed with his Chief Pilot with a copy to the Vice President - Operations and a copy to the Association's M.E.C. Chairman.

3. Within ten (10) days after receipt of the request for a hearing outlined above, the Company will conduct such hearing, and within ten (10) days after such hearing is held the Company shall issue its written decision concerning the matter to the grievant and the M.E.C. Chairman.

C. Appeal. If the decision under Paragraphs A 6 or B 3 is unsatisfactory to the pilot or pilots, appeal by the pilot or pilots, if made, shall be to the Overseas National Airways System Board of Adjustment as pro-

vided in Section 23, provided such appeal is made within thirty (30) days from the date of receipt by the pilot or pilots, or his representative or representatives, of the decision of the Company. All submissions to the System Board of Adjustment shall be made in conformity with Paragraph G of Section 23.

D. General

1. If any decision made by the Company under the provisions of this Section is not appealed by the pilot or pilots within the time limit prescribed in this Section for such appeal, the decision of the Company shall tentatively become final and binding. In order, however, for the decision to become final and binding, the Company must give the M.E.C. Chairman written notice that appeal must be taken within ten (10) days from the postmark date of such notice or the decision will become final and binding.

2. If the Company fails to render its decision in writing within the time limit prescribed in this Section, the grievance will tentatively be granted by default. In order, however, for the grievance to be granted by default the Association must give the Vice President – Operations written notice that the Company's decision must be rendered within ten (10) days from the postmark date of such notice or the grievance will be granted by default.

3. Witnesses and representatives who are employees of the Company shall, subject to the availability of space, receive free transportation over the lines of the Company to the point of hearing and return.

4. Nothing in this Agreement shall extend the right of investigation and hearing to a pilot during his probationary period.

5. When it is mutually agreed that a stenographic report is to be taken of the investigation and hearing in whole or in part, the cost will be borne equally by both parties to the dispute. In the event it is not mutually agreed that a stenographic report of the proceedings shall be taken, any written record available taken of such investigation and hearing made by either of the parties to the dispute shall be furnished to the other party to the dispute upon request, provided that the cost of such written record so requested shall be borne equally by both parties to the dispute.

6. The hearing provided in this Section will be held at the aggrieved pilot's domicile unless otherwise agreed to by such pilot and the Company. The parties may agree to expedite such hearing by handling it through telephonic communication and such method shall in that event constitute the hearing provided by this Section.

7. Time limits provided in this Section may be extended by mutual agreement in writing.

SYSTEM BOARD OF ADJUSTMENT

SECTION 23.

A. In compliance with Section 204, Title II of the Railway Labor Act, as amended, there is hereby established a System Board of Adjustment for the purpose of adjusting and deciding disputes which may arise under the terms of this Agreement and which are properly submitted to it, which Board shall be known as "Overseas National Airways System Board of Adjustment", herein referred to as the "Board".

B. The Board shall consist of four (4) members, two (2) of whom shall be selected and appointed by the Association and two (2) by the Company, and such appointees shall be known as "System Board Members".

C. The four (4) members shall serve for two (2) years from date of their appointment or until their successors have been duly appointed. The terms of office for the Board members shall be staggered so that only one (1) term expires in each calendar half year. Vacancies in the membership of the Board shall be filled in the same manner as is provided herein for the selection and appointment of the original members of the Board.

D. The Board shall have jurisdiction over disputes between any pilot covered by this Agreement and the Company, growing out of grievances concerning interpretation or application of any of the terms of this Agreement. The jurisdiction of the Board shall

not extend to proposed changes in hours or employment, rates of compensation, or working conditions covered by existing agreements between the parties hereto.

E. The Board shall consider any dispute properly submitted to it by the Association or by the Company when such dispute has not been previously settled in accordance with the terms provided for in this Agreement.

F. The members of the Board shall select a Chairman and a Vice-Chairman, both of whom shall be members of the Board. The term of the office of Chairman and Vice-Chairman shall be one (1) year. Thereafter, the Board shall designate one (1) of its members to act as Chairman and one (1) to act as Vice-Chairman for one (1) year terms. Each officer so selected shall serve for one (1) year or until his successor has been duly selected. The office of Chairman shall be filled and held alternately by an Association member of the Board and by a Company member of the Board. When an Association member is Chairman, a Company member shall be Vice-Chairman and vice versa. The Board shall meet with all members present in the City of New York, (unless a different place of meeting is agreed upon by the Board) during the third (3rd) week in October and the third (3rd) week in April of each year, provided that at such times there are cases filed with the Board for consideration, and shall continue in session until all matters before it have been considered, unless otherwise mutually agreed upon.

G. All disputes properly referred to the Board for consideration shall be addressed to the Chairman of the Board with a copy to the Vice President – Operations and to the M.E.C. Chairman. Five (5) copies of each petition, including all papers and exhibits in connection therewith, shall be forwarded to the Chairman of the Board, who shall promptly transmit one (1) copy thereof to each member of the Board. Each case submitted shall show:

1. Question or questions at issue
2. Statement of facts out of which the dispute arose and the particular provision or provisions of the Agreement, if any, alleged to have been violated, and the relief sought
3. Position of pilot or pilots
4. Position of Company

When possible, joint submission should be made, but if the parties are unable to agree upon a joint submission, either party may submit the dispute and its position to the Board with copies to the Vice President – Operations and the M.E.C. Chairman. The date of postmark of such copy will be the significant date for purposes of the thirty (30) day period provided in Section 22 C of this Agreement. No matter shall be considered by the Board which has not first (1st) been handled in accordance with the provisions of Section 22; provided that by agreement of the parties, matters may be

submitted directly to the Board.

H. Upon receipt of notice of the submission of a dispute, the Chairman of the Board shall set a date for hearing, which shall be at the time of the next regular meeting of the Board, or, if at least two (2) members of the Board consider the matter of sufficient urgency and importance, then at such earlier date and at such place as the Chairman and Vice-Chairman shall agree upon; but not more than fifteen (15) days after such request for meeting is made by at least two (2) of said members, and the Chairman shall give the necessary notices in writing of such meeting to the Board members and to the parties to the dispute.

I. Pilots covered by this Agreement may be represented at the Board hearings by such person or persons as they may choose and designate, and the Company may be represented by such person or persons as it may choose and designate. Evidence may be presented either orally or in writing, or both. On request of individual members of the Board, the Board may, by a majority vote, or shall at the request of either the Association representatives or the Company representatives thereon, summon any witnesses who are employed by the Company and who may be deemed necessary by the parties to the dispute, or by either party, or by the Board itself, or by either group of representatives constituting the Board.

J. A majority vote of all members of the Board

shall be deemed competent to make a decision.

K. Decisions of the Board in all cases properly referred to it shall be final and binding upon the parties hereto.

L. When a deadlock occurs in any case properly referred to the Board, it shall promptly notify the parties to the case of such deadlock, including the date thereof, and the members of the Board shall then notify the parties that the services of a fifth (5th) member of the Board are desired. The parties will meet within ten (10) days of such notice to mutually select a referee. If the parties are unable to agree upon the referee, either party may request the National Mediation Board to submit a list of five (5) persons qualified to act as the referee. A representative of the Company and a representative of the Association shall meet within ten (10) days after receipt of the list and shall alternately strike two (2) names from the list, the party to strike first (1st) to be selected by lot. The fifth (5th) remaining name shall thereupon be selected as the referee.

In case neither the Company nor the Association petitions the National Mediation Board within thirty (30) days of the notice that the services of the fifth (5th) member of the Board is desired, the matter in question shall be deemed by all parties concerned to be ended and no action thereon shall be taken thereafter by either party.

When the fifth (5th) member is selected, the Board shall, within twenty (20) days, arrange, for a hearing of the dispute of the Board, including the presentation of such witnesses and evidence as the five-member Board shall in its discretion permit. A decision of a majority of the Board sitting with the fifth (5th) member shall be final and binding upon the parties thereto. Such decision shall be rendered within thirty (30) days after the close of the hearing.

The time limits specified in this Section may be extended by mutual agreement between the parties to this Agreement in writing.

M. The Board shall maintain a complete record of all matters submitted to it for its consideration and of all findings and decisions made by it. The foregoing "complete record" does not necessarily include stenographic transcripts of all testimony of witnesses who appear before the Board.

N. Each of the parties hereto will assume the compensation, travel expense, and other expenses of the Board members selected by it. The reasonable expenses and compensation of the referee appointed in accordance with Paragraph L of this Section, will be borne equally by the parties hereto.

O. Each of the parties hereto will assume the compensation, travel expense, and other expenses of the witnesses called or summoned by it. Witnesses who are employees of the Company shall receive, subject to availa-

bility of space, free transportation over the lines of the Company to the point at which they must appear as witnesses and return.

P. The Chairman and Vice-Chairman, acting jointly, shall have the authority to incur such other expenses as, in their judgment, may be deemed necessary for the proper conduct of the business of the Board and such expense shall be borne one-half (1/2) by each of the parties hereto. Board members who are employees of the Company shall be furnished, subject to availability of space, free transportation over the lines of the Company for the purpose of attending meetings of the Board.

Q. It is understood and agreed that each and every Board member shall be free to discharge his duty in an independent manner, without fear that his individual relations with the Company or with the pilots may be affected in any manner by any action taken by him in good faith in his capacity as a Board member: Board members while serving as such will continue to receive their guarantee pay, but will receive no other compensation or reimbursement for expenses from the Company.

R. When under the operation of this Section or Section 22, Grievance Procedure, a pilot is chosen to act as the representative of or as a witness for another pilot, such pilot shall be given time sufficient to permit him to appear as such representative or witness, provided that in so doing consideration shall be given to the requirement of the service.

PHYSICAL EXAMINATIONS
SECTION 24.

A. The physical standards required of a pilot shall be the standards established and administered by the Federal Aviation Administration including its waiver policy. However, should it become apparent that such pilots health or physical condition is seriously impaired, the Company may request that the pilot be re-examined by an accredited FAA examiner, and furnish the Company with the results of such examination.

B. The Company shall assume the cost of any physical examination taken at its request.

C. Should a pilot be removed from flight duty as a result of any physical examination taken at Company request he shall, from the date he is removed from flight status, receive any sick leave benefits accumulated under the provisions of this Agreement, and if the examination reveals that he is or has been eligible for flight, the pilot will not incur any loss of pay or sick leave credit. Such pay shall be computed in accordance with Section 13 A 3.

D. The provisions of this Section shall not be applicable nor employed in any manner for disciplinary or dismissal action against a pilot except as provided in Section 20 C.

SICK LEAVE

SECTION 25.

A. All pilots covered by this Agreement shall earn two and one-half (2.5) days of sick leave for each month of service in the employ of the Company. If sickness does not require their use as earned, these days shall accrue to a total credit of ninety (90) days of sick leave. When sickness or injury requires the use of accrued sick leave to the extent that a pilot with three (3) or more years of service has thirty (30) or less days accrued sick leave, he shall reaccrue such used sick leave at the rate of five (5) days for each month of service with the Company subsequent to the sickness or injury until his maximum of ninety (90) days has been reaccrued.

B. Sick leave credits shall not accrue to a pilot while in non-pay status when the duration of such non-pay status in any anniversary year aggregates thirty (30) scheduled work days or more, except that, during approved leaves of absence, pilots shall accrue sick leave credit during the first thirty (30) days of such absence.

C. A pilot transferred, promoted or demoted without a break in service from one department, division or section to another at the time of transfer shall be credited with accrued sick leave.

D. A pilot who is laid off because of reduction in force shall retain intact sick leave credit for the period of time he remains on the Pilots' System Seniority List. If such pilot returns to the service of the Company within that period, the sick leave credit which he will then begin to earn shall be added to such previously accrued sick leave credit.

E. Computation of sick leave benefits for any pilot shall be made at the end of the month.

F. A medical certificate may be required for approval of pay for any sick leave taken prior to payment for such sick leave taken.

G. A pilot who flies less than the guarantee hours in any month in which he is sick or injured, shall be paid for the difference in the number of hours he flew and the guarantee hours. He shall have deducted from his sick leave accrual one (1) day for each one-thirtieth (1/30th) of his guarantee hours for which he is paid sick leave and on which he was scheduled to fly. This deduction is not to exceed eighteen (18) days in any one (1) month. Nothing in this Section shall operate to enable a pilot to receive a combined total of sick leave pay and flight pay (exclusive of vacation and deadhead pay) in excess of one thousand (1,000) hours per year or in excess of one thousand (1,000) hours times the number of days on the payroll divided by three hundred sixty-five (365). Such pay shall be in accordance with status and equipment to which his seniority

would entitle him had he not been sick or injured.

H. Any amounts of weekly compensation received by the pilot for Workmen's Compensation and/or Unemployment Compensation Disability shall be made payable to the Company for such period of illness.

FILLING OF VACANCIES

SECTION 26

A. PROCEDURE

1. For the purposes of this Agreement, the Company shall have at least one (1) permanent pilot base which shall be designated by the Company. The Company may, from time to time, at its discretion establish, reestablish, or close pilot bases. For the purposes of this Section 26, award shall mean a position held by a pilot as a result of a vacancy bidding. For the purposes of this Section 26, assignment shall mean a position held by a pilot not as a result of bidding procedure.

2. The number of first pilot and copilot vacancies shall be determined by the Company based on the expected requirements.

3. All base vacancies shall be posted systemwide for bid at all stations where pilots are based at least thirty (30) days in advance. Bid forms will be mailed to the pilot's last permanent address on file

with the Company. If it can reasonably be determined from operational records that a pilot is away from his permanent address or the base at which he holds an award or assignment, he will be notified by a reasonably expeditious transmission. If no bids are received for a given vacancy, the Company may, at its option, repost the bid at a later date. If there are no bidders, the Company shall upgrade from within the ranks of qualified pilots. If such is not possible, the Company may have the option of either assigning the most junior qualified man in reverse order of seniority or reposting the bid. The Company may, at its option, designate certain pilot bases as temporary. For the purposes of this agreement, temporary assignment shall have a maximum duration of forty-five (45) days. This will apply to both foreign and domestic bases.

4. The notice shall contain the following information:

   a. The number and type of vacancies to be filled.

   b. The type base or bases where a vacancy exists.

   c. The expected duration of a vacancy.

   d. The date of activation, namely the date the successful pilot is to be available for scheduling out of his new base.

e. A reasonable deadline date after which bids shall not be accepted, provided such deadline date shall not be less than fifteen (15) days after posting the bid notice.

5. Simultaneously with the posting of a primary vacancy, pilots shall be notified of the possibility of secondary vacancies being created as a result of a pilot bidding out of a position as a result of being the successful bidder on the primary vacancy. References on such secondary vacancies, if created, shall be awarded in accordance with such stated preference and system seniority.

6. When a vacancy is created at a base by a baseholder being assigned elsewhere, such vacancy shall be posted for bid. A successful bidder for such vacancy, if he chooses to move his effects, shall be entitled to the benefits of Section 12 hereof.

7. No pilot shall hold rights to more than one (1) base award or assignment at any one (1) time.

8. Flights from established pilot bases and flights which originate from points other than established pilot bases will be assigned with due regard to system seniority and pilot preference.

9. Per diem shall be paid to a pilot for all time he is away from his permanent base

as a result of Company assignment, except while he is at such permanent base as a result of having been returned to such base at Company expense or Company impetus.

10. When a base is moved to a new location and said base is moved seventy-five (75) miles or less on a direct line from the old location, such move shall not be considered a base relocation, opening a new base or closing an old base.

11. In the event the Company determines that it is necessary to establish a foreign base or bases during the term of this Agreement, it shall notify the Association as far in advance as possible, but at least thirty (30) days prior to the anticipated establishment of such base. Such notice shall state the expected duration of the base, the equipment to be operated at the base and the number of pilots expected to be required at such base. Within ten (10) days after providing such notice, the Company and the Association shall meet and confer as to all working conditions in connection with such base. If the parties fail to agree as to any of the negotiating items within thirty (30) days after the notice of the establishment of the base the unresolved items shall be submitted to binding arbitration. The parties hereby agree to a panel of three (3) arbitrators, namely Leverett Edward, Leo Kotin and Howard Gamser. At the first

meeting after notice of the establishment of the foreign base, the parties will make arrangements for the arbitration by one of the above-named individuals in the event that they fail to reach agreement on all items to be discussed. The arbitrator selected will agree to hear the matter within ten (10) days after the end of the thirty (30) day period, and will further agree to render his decision and award within ten (10) days after the submission of the matter to him. In the event none of the above-named arbitrators is available, the first named arbitrator shall select an arbitrator who is able to meet the time limits prescribed above. Nothing herein will prevent the Company and the Association from agreeing to submit the items to arbitration prior to the end of the thirty (30) day period nor to prevent the Company from advertising and awarding bids for such foreign base within such period. If the needs of the service dictate, the Company may implement the base at the conclusion of the thirty (30) day period and prior to the resolution of all the issues or prior to the decision of the arbitrator, as the case may be, with the proviso that any final agreement or award will be retroactive.

12. Irrespective of any of the provisions of this Section, no person shall be hired for the position of first pilot or copilot officer to fill a vacancy unless such vacancy cannot be filled with Overseas National Airways pilots in accordance with the provisions of this Agreement.

13. Irrespective of any of the provisions of this Agreement, the conditions under which the Company will reimburse a pilot for moving expenses as set forth under this Section are when:

a. The pilot is a successful bidder for a newly created permanent position or positions at an existing permanent base.

b. A pilot is a successful bidder for or assigned to a permanent position or positions at a newly established or reestablished base.

c. A displaced pilot exercises his seniority to displace the most junior man in his status on the system.

d. The pilot who is displaced due to curtailment of positions or position of closing of his permanent base.

e. A pilot assigned by the Company to fill a vacancy at a permanent base.

f. Any award or assignment with an expected duration in excess of one hundred and eighty (180) days.

Under all other conditions a pilot must pay his own moving expenses if he elects to move his effects.

14. The Company, without recourse to the bid procedure, may assign pilots who are

equipment and status qualified (or can be so qualified in a minimum period of time as against normal qualifying procedures) from one (1) type of equipment or base to another, such assignment to constitute an involuntary temporary assignment. A pilot so assigned involuntarily shall receive the hourly pay applicable to the equipment and status with his permanent assignment or award or his temporary assignment, whichever is greater.

15. Wherever used within this Section, the term moving expenses are only those expenses as stipulated under Section 12 of this Agreement. Per diem as stipulated in this Section means traveling expenses as stipulated in Section 11.

B. REDUCTION IN FORCE

1. Whenever a reduction in the number of pilots at a base becomes necessary, positions of pilots at the base will be terminated in the following order:

   a. All pilots holding positions in the reverse order of their seniority.

2. When the position of a pilot is cancelled, or he is displaced therefrom he may exercise his seniority at any base to displace a junior pilot in any status holding a position thereon.

For the purposes of this Section "Status" means:

a. First pilot
b. Copilot.

A pilot shall assume the same status as that held by the pilot whom he displaced.

NEW OR CHANGED TAKE OFF AND LANDING MINIMUMS

SECTION 27.

Initial minimums at new airports for takeoff and landing will not be established and existing minimums for takeoff and landing will not be lowered without notifying the pilots.

TRAINING AND QUALIFICATIONS

SECTION 28.

A. There shall be a training program consistent with, but not limited to current FAR's, to ensure that each crew member is adequately trained to perform his assigned duties.

B. The requirements or qualifications for the advancement of all pilots to a higher status shall be uniform and consistent with the qualifying requirements of the service, and the Company shall after giving due consideration to the intent and purpose of the applicable provisions of Sections 18 and 20 relating to advancement to a higher status, establish such requirements and qualifi-

cations. All recommendations and proposals of the ALPA Check and Training Committee shall be accepted and given due consideration.

C. For all purposes of this Agreement, any day or part thereof spent in ground school or flight training shall be considered a day of duty. Such shall be confined to recurrent training, proficiency flights, and recurrent link or simulator training. That period of initial or upgrade training to include ground school, simulator, and flight instruction -- exclusive of the twenty-five (25) hours of flight spent under supervision -- shall not be classified as a day of duty or a day of rest. The remaining days of duty shall yield a proportionately reduced number of days of rest.

D. For pay purposes, when a pilot changes equipment or status, the following rules shall apply:

1. a. Captain to Captain – Different equipment

When a pilot holding a Captain status on one (1) type of equipment is to move to another type of equipment as a Captain, he shall receive his current pay for a maximum of ninety (90) days or until he flies his first revenue trip on the different equipment, whichever occurs first. He shall then begin receiving the pay for the equipment to which he is moving.

b. Captain to Copilot – Same Equipment

When a pilot holding a Captain status on one (1) type of equipment is to move to Copilot status on the same equipment, he shall receive his current pay for a maximum of thirty (30) days or until he flies his first revenue trip as a Copilot, whichever occurs first. He shall then begin receiving Copilot's pay.

c. Copilot to Captain – Same Equipment

When a pilot holding a Copilot status on one (1) type of equipment is to move to Captain status on the same equipment, he shall receive his current pay for a maximum of ninety (90) days or until he flies his first revenue trip as a Captain, whichever occurs first. He shall then begin receiving Captain's pay.

d. Copilot to Copilot – Different Equipment

When a pilot holding a Copilot status on one (1) type of equipment is to move to another type of equipment as a Copilot, he shall receive his current pay for a maximum of sixty (60) days or until he flies his first revenue trip on the different equipment, whichever occurs first. He shall then begin receiving the pay for the equipment to which he is moving.

e. Captain to Copilot – Different Equipment.

When a pilot holding a Captain status on one (1) type of equipment is to move to another type of equipment as a Copilot, he shall receive his current pay for a maximum of sixty (60) days or until he flies his first revenue trip as a Copilot on the different equipment, whichever occurs first. He shall then begin receiving Copilot's pay for the equipment to which he is moving.

f. Copilot to Captain – Different Equipment

When a pilot holding a Copilot status on one (1) type of equipment is to move to another type of equipment as a Captain, he shall receive his current pay for a maximum of ninety (90) days or until he flies his first revenue trip as a Captain on the different equipment, whichever occurs first. He shall then begin receiving Captain's pay for the equipment to which he is moving.

2. In 1 a through f above, the "maximum days" referred to shall begin counting as follows:

a. If the pilot is moving to a higher rated status or equipment, the "maximum days" shall begin counting on

the effective date of the bid or on the first day the pilot begins training for the higher equipment or status, whichever occurs first.

b. If the pilot is moving to a lower rated status or equipment, the "maximum days" shall begin counting on the effective date of the bid or on the first (1st) day the pilot begins training for the lower equipment or status, whichever occurs last. If this training for a lower rated equipment or status is interrupted for more than one (1) week by a Company decision, the counting of the maximum days shall begin over again when the pilot resumes training.

3. Nothing in the foregoing shall negate or effect the protection a pilot receives under Section 16, Seniority Promotions, of the Pilot Agreement. Further, if the Company for any reason assigns a pilot to a status or equipment lower than that which he successfully bids, he shall receive pay in accordance with the equipment and status which his seniority entitles him to hold.

COPY OF AGREEMENT

SECTION 29.

The Company shall provide each employee with a copy of this Agreement, printed and bound in a convenient pocketsize booklet. Those em-

ployees in the employ of the Company on the date of signing of the Agreement shall receive such booklet within ninety (90) days following such signing. Newly-hired employees shall be issued a booklet on date of hire.

SUCCESSOR COMPANIES

SECTION 30.

A. The provisions of this Agreement shall be binding upon any successor or merged company or companies or any successor or assigns in the control of the Company.

B. The following provisions shall govern in the event that the Company consummates an agreement of merger or other transfer of interest where said agreement does not contemplate that ONA will be the surviving carrier:

1. The Company shall mail a true copy of said agreement by first class certified mail, return receipt requested to the Association simultaneously with filing with the Civil Aeronautics Board.
2. The Company shall mail to the Association a true copy of all documents subsequently filed by it at the Civil Aeronautics Board in connection with said matter, by first class certified mail, return receipt requested, within forty-eight (48) hours following filing of the same.

GENERAL

SECTION 31.

A. No pilot shall be required to pay for the use of any Company equipment used in pilot training required by the Company.

B. No pilot shall be required to pay for damage costs of airplanes or equipment damaged in the service.

C. An individual personal file shall be maintained on each pilot in the employ of the Company and shall contain all semi-annual progress reports and all written orders issued to the pilot affecting a change of station or status. Copies of all reports, orders and all practice training flights and check flights shall be contained in this file. The Company shall not place anything in this file detrimental to the pilot's interest unless the pilot is given a copy thereof or notifies him in writing of the presence thereof in the file. A pilot may request a review of his file with his supervisor at any time that he feels that anything detrimental to his interest may be in his file. In any event, a review of this file shall be made by his supervisor with the pilot present every six (6) months.

D. Life of the uniform shall be deemed to be two (2) years from the date of adoption or date of hire, and if the style, color, or material of the uniform is changed at the Company's option prior to such two (2) years the Company

will reimburse the pilot for the unused life of the obsolete uniform. The Company will have the right to approve the manufacturer of any item of the uniform.

E. When a change is to be made, the Company will give not less than thirty (30) days' notice of any intended change in style or color of uniforms, and the pilots will act with reasonable promptness in making their recommendations.

F. The salaries of the pilots shall be paid in United States currency.

G. No pilot shall be required to violate any governmental or Company regulation.

H. All orders to pilots assigning them to special duty or transfers to different stations shall be in writing.

I. All pilots are subject to all Company policies now or hereinafter in effect except as they may be inconsistent with anything contained herein.

J. A pilot who is recalled from furlough shall be guaranteed one (1) month's pay of applicable rates.

K. Operational bulletins which have been in existence for a period of six (6) months or more not incorporated into the Operations Manual shall not be used nor referred to during the

processing of any disciplinary action which may be levied against a pilot. No materials (except mandatory inclusions prescribed by Government regulation or by law) shall be incorporated into the Operations Manual if such materials are in any way inconsistent with anything contained in this Agreement.

L. A pilot shall have a minimum of twenty-four (24) hours notification prior to reporting time for any duty and a minimum of seventy-two (72) hours if the notification is for a temporary assignment.

M. A pilot who is alerted, called out, and reports for flight duty (exclusive of training), shall be granted a minimum of one (1) hour's pay and flight time credit.

N. In the event the Company elects to schedule aircraft into or through war zones, combat zones, or zones considered hazardous by the United States Department of State, or in the event the Company elects to fly material considered hazardous, the Company shall request pilot volunteers. In the event that the pilot otherwise entitled to fly elects not to volunteer, the Company may schedule pilots from other volunteers, and the provisions of Section 16 A shall not apply. The provisions of this Paragraph shall not apply to trips, charters or contracts flown or to be flown for, or under the auspices of, the United States Government or any department or agency thereof.

O. The Company will provide free transportation, space available, to Association Representatives for the purposes of traveling for business with the Company, subject to appropriate governmental approval.

P. The use of all electronic recording devices installed in the aircraft may not be used for disciplinary action except in accordance with current FAR's.

Q. A retired pilot and his spouse shall be granted pass privileges on Company aircraft to the same extent as active line pilots and shall be granted passes or reduced fare privileges on other air carriers to the extent permitted by such other carriers.

R. In accordance with the established policy of the Company and the Association, the provisions of this Agreement will apply equally to all pilots hereunder regardless of color, race, creed, sex or national origin. The Company and the Association also recognize the desirability of implementing the national policy of providing equal opportunity to all persons and agree to actively work toward the implementation and continuance of that policy.

CREW COMPLEMENT

SECTION 32.

The minimum flight crew on all pure jet aircraft except DC-9 aircraft shall consist of three (3) pilots a first pilot, a copilot, and a second

officer who shall be qualified to the minimum extent of a commercial pilot certificate and instrument rating.

AGENCY SHOP

SECTION 33.

A. Each employee of the Company, covered by this Agreement, who fails to voluntarily acquire or maintain membership in the Association, shall be required as a condition of continued employment, beginning sixty (60) days after employment, or sixty (60) days after the effective date of this Agreement, as the case may be, to pay to the Association each month a service charge as a contribution for the administration of this Agreement and the representation of such employee. The service charge for each month shall be in an amount equal to the Association's regular and usual monthly dues.

B. If any employee of the Company covered by this Agreement becomes delinquent in the payment of his service charge, the Association shall notify such employee by registered mail, return receipt requested, copy to the official designated by the Company, that he is delinquent in the payment of such service charge as specified herein and is subject to discharge as an employee of the Company. Such letter shall also notify the employee that he must remit the required payment within a period of fifteen (15) days or be discharged.

C. If, upon the expiration of the fifteen (15) day

period, the employee still remains delinquent, the Association shall certify in writing to the official designated by the Company copy to the employee, that the employee has failed to remit payment within the grace period allowed and is, therefore, to be discharged. The official designated by the Company shall thereupon take proper steps to discharge such employee from the service of the Company.

D. A grievance by an employee who is to be discharged as a result of an interpretation or application of the provisions of Section 34 of this Agreement, shall be subject to the following procedure:

1. An employee who believes that the provisions of this Section have not been properly interpreted or applied as it pertains to him, may submit his request for review in writing within seven (7) days from the date of his notification by the Director of Employee Relations, as provided in Section 34. The request must be submitted to the official designated by the Company or his designee, who will review the grievance and render his decision in writing not later than seven (7) days following receipt of the grievance.
2. The official designated by the Company, or his designee, shall forward his decision to the employee, with a copy to the Association. Said decision shall be final and binding on all interested parties unless appealed as hereinafter provided. If the decision is not satisfactory to either the

employee or the Association, then either may appeal the grievance within ten (10) days from the date of the decision directly to a neutral referee who may be agreed upon by the Company and the Association within ten (10) days thereafter. In the event the parties fail to agree upon a neutral referee within the specified period, either the employer or the Association may request the National Mediation Board to name such neutral referee. The decision of the neutral referee shall be rendered within thirty (30) days after his appointment and shall be final and binding on all parties to the dispute. The fees and charges of such neutral referee shall be borne equally by the Company and the Association.

E. During the period a grievance is being handled under the provisions of this Section and until final award by the official designated by the Company, his designee, or the neutral referee, the employee shall not be discharged from the Company nor lose any seniority rights because of non-compliance with the terms and provisions of this Section.

1. An employee discharged by the Company under the provisions of this paragraph shall be deemed to have been "discharged for cause" within the meaning of the terms and provisions of this Agreement.
2. It is agreed the Company shall not be liable for any time or wage claims of any employees discharged by the Company

pursuant to a written order by an authorized Association representative under the terms of this Section.

F. During the life of this Agreement, the Company agrees to deduct from the pay of each employee covered by this Agreement, and remit to the Association membership dues uniformly levied, in accordance with the Constitution and By-Laws of the Association and service charges all as prescribed by the Railway Labor Act, as amended, provided such employee voluntarily executes authorization on a form, to be supplied by the Association, herein called "Check-Off Form". Check-Off forms duly executed shall be delivered to the Payroll Department of the Company. Deductions authorized by check-off forms shall begin on the first (1st) payday occurring more than five (5) days following receipt of such check-off forms.

RETIREMENT

SECTION 34.

A. The Overseas National Airways, Inc. Pilots' Fixed Benefit Retirement Plan, as amended (Plan "A"), and the Overseas National Airways, Inc. Pilots' Variable Benefit Retirement Plan, as amended (Plan "B"), and the Letter of Agreement between the parties establishing the Retirement Board will continue in full force and effect.

B. Effective June 1, 1973, pilots will no longer be required to contribute to the "A" Plan and

the Company will make all contributions actuarially required to fund the benefits of the Plan. There will be no change in actuarial assumptions under the "A" Plan.

C. Effective June 1, 1973, pilots will no longer be required to contribute to the "B" Plan and the Company will contribute two percent (2%) of the compensation of each participating pilot to the "B" Plan. One hundred percent (100%) Company contributions to the "B" Plan will be immediately vested to the individual pilot.

D. The amendments set forth in Paragraphs B and C hereof are subject to approval of the Internal Revenue Service, which approval shall be sought by the Company. If such approval is not given, the parties hereto shall meet in negotiations to effect changes in order to secure such approval. If the changes, nevertheless, fail to be approved by the Internal Revenue Service, or the parties are unable to agree upon changes designed to secure such approval, then and in any of such events, the matters covered by this Agreement shall be the subject of further negotiations between the Company and the Association in accordance with the provisions of the Railway Labor Act, as amended.

DURATION

SECTION 35.

A. This Agreement shall succeed and take precedence over all Agreements, Supplemental Agreements, Amendment and Letters of Agreement between the parties heretofore executed, except the following which shall remain in full force and effect:

1. MAC No-Strike Letter of Agreement executed contemporaneously herewith;
2. Reimbursement for pay and fringe benefits executed contemporaneously herewith.

B. Unless otherwise specifically provided in this Agreement, this Agreement shall become effective July 1, 1973 and shall continue in full force and effect until March 1, 1975 and shall renew itself without change for the year commencing March 1, 1975 and each March 1 thereafter unless written notice of intended change is served in accordance with Section 6, Title 1 of the Railway Labor Act, as amended, by either party hereto not less than ninety (90) days prior to March 1, 1975 or any subsequent March 1.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 29th day of June, 1973.

OVERSEAS NATIONAL AIRWAYS, INC.

By (s) J. W. Bailey, President
J. W. Bailey, President

(s) Malcolm E. Starkloff
Witness

FOR THE AIR LINE PILOTS
IN THE SERVICE OF
OVERSEAS NATIONAL AIRWAYS, INC.

By (s) J. J. O'Donnell
J.J. O'Donnell, President
Air Line Pilots Association,
International

(s) Ted Secola
Witness

(s) James Hamilton
Witness

LETTER OF AGREEMENT

between

OVERSEAS NATIONAL AIRWAYS, INC.

and

THE AIR LINE PILOTS

in the service of

OVERSEAS NATIONAL AIRWAYS, INC.

as represented by

THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

MAC NO-STRIKE AGREEMENT

The Air Line Pilots Association, International and Overseas National Airways, Inc. in the interest of National Defense, hereby agree:

1. That the Pilots in the service of Overseas National Airways, Inc., will continue to perform all duties which are necessary to enable the Company to operate military flights on which Overseas National Airways, Inc., carries exclusively military traffic for the United States Government, even though such Pilots withdraw from commercial airline service because of unresolved labor

disputes of any type, including disputes arising out of negotiations for a new contract.

2. That pay and other benefits for such Pilots who perform duties in connection with such military flights, pursuant to Paragraph 1 hereof, will:
   a. For any period prior to the opening day of the Agreement between the parties be governed by the then existing Agreement unless modified by agreement of the parties, and
   b. After the amendable date of the Agreement that existed during the said labor dispute or the Agreement negotiated, if any, as a settlement of such dispute, whichever is more beneficial to such pilot.
3. That this is consistent with the longstanding policy and performance of the Air Line Pilots Association, International.
4. To assure the movement of any particular flight, pursuant to the terms of Paragraph 1 hereof, the appropriate Company operating official or his designee shall certify in writing to the Association such flight(s) are necessary to enable the Company to fulfill its obligations to operate such military flights under such Paragraph 1.
5. That this Letter of Agreement constitutes an amendment and modification to the current collective bargaining Agreement (the "Agreement") between the parties executed contemporaneously with this Letter of Agreement.
6. This Letter of Agreement is effective on the date it is signed and shall remain in full force and effect concurrently with the Agreement, as it may be amended, subject to the

provisions of Section 31 thereof, and for one (1) year thereafter unless extended by mutual agreement between the parties.

7. That this Letter of Agreement shall not apply to any military flights the Company may operate for any other carrier. Further, this Letter of Agreement shall not apply to military flights the Company may contract for during the term of a strike other than those military flights contracted for as a result of a military contract renewal or new military contract signed subsequent to the expiration of a military contract.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Agreement this 29th day of June, 1973.

FOR THE AIR LINE PILOTS
IN THE SERVICE OF
OVERSEAS NATIONAL AIRWAYS, INC.

By (s) J. J. O'Donnell
J. J. O'Donnell, President
Air Line Pilots Association,
International

(s) Ted Secola
Witness

(s) James Hamilton
Witness

OVERSEAS NATIONAL AIRWAYS, INC.

By (s) J. W. Bailey
J. W. Bailey, President

(s) Malcolm E. Starkloff
Witness

LETTER OF AGREEMENT

between

OVERSEAS NATIONAL AIRWAYS, INC.

and

THE AIR LINE PILOTS

in the service of

OVERSEAS NATIONAL AIRWAYS, INC.

as represented by

THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

THIS LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between OVERSEAS NATIONAL AIRWAYS, INC., a Delaware Corporation, (hereinafter referred to as the "Company") and the Air Line Pilots in the service of OVERSEAS NATIONAL AIRWAYS, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter referred to as the "Association").

It is hereby mutually agreed:

The Company and the Association will use the following method for the reimbursement of flight pay loss due the Company for any pilot performing services to the Association in any calendar quarter.

1. The Company shall not be eligible for reimbursement from the Association, flight pay loss for any pilot who performs a service for the Association during any calendar quarter, provided either of the following conditions of Company service have been attained:
   a. The pilot accumulates the guarantee credit hours applicable to the calendar quarter involved.
   b. The pilot provides the Company minimum available days of service, as required, applicable to the calendar quarter involved.

First quarter	fifty-four (54) days.
Second quarter	fifty-five (55) days.
Third quarter	fifty-six (56) days.
Fourth quarter	fifty-six (56) days.

The required available days of service shall be reduced proportionately to provide for periods of vacation, promotion and transition training, sick leave, leave of absence and furlough. This provision includes initial training.

2. The Company shall be eligible for reimbursement from the Association, flight pay loss for any pilot who performs a service for the Association during any calendar quarter, provided the conditions of Company service have not been attained as outlined in Paragraph 1a and 1b above.

   The Association shall reimburse to the Company flight pay loss on the following basis:

a. Any day(s) less than the required available days of service to the Company for the calendar quarter involved shall be reimbursed to the Company at the following rate.

1. One-thirtieth (1/30th) of the pilot's applicable monthly guarantee for each day, plus
2. An override of sixteen percent (16%) to cover all ancillary and fringe benefits.

THIS LETTER OF AGREEMENT will run concurrently with and be subject to the provision of Section 31 of the Pilot Agreement executed contemporaneously with this Letter of Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this LETTER OF AGREEMENT, the 29th day of June, 1973.

FOR THE AIR LINE PILOTS
IN THE SERVICE OF
OVERSEAS NATIONAL AIRWAYS, INC.

By (s) J. J. O'Donnell
J. J. O'Donnell, President
Air Line Pilots Association,
International

(s) Ted Secola
Witness

(s) James Hamilton
Witness

OVERSEAS NATIONAL AIRWAYS, INC.

By (s) J. W. Bailey
J. W. Bailey, President

(s) Malcolm E. Starkloff
Witness

PL. Ex. 2

SECTION 31

K. Operational bulletins which have been in existence for a perio of six (6) months or more not incorporated into the Operations Manual shall not be used nor referred to during the processing of any disciplinary action which may be levied against a pilot. No materials (except mandatory inclusions prescribed by Government regulation or law) shall be incorporated into the Operati Manual if such materials are in any way in conflict with or do not preserve the intent of anything contained in this Agreement. In addition, the Company will maintain a Reading file of pertinent current operational bulletins at each Domicile.

L. Open

M. T/A

N. T/A

O. T/A

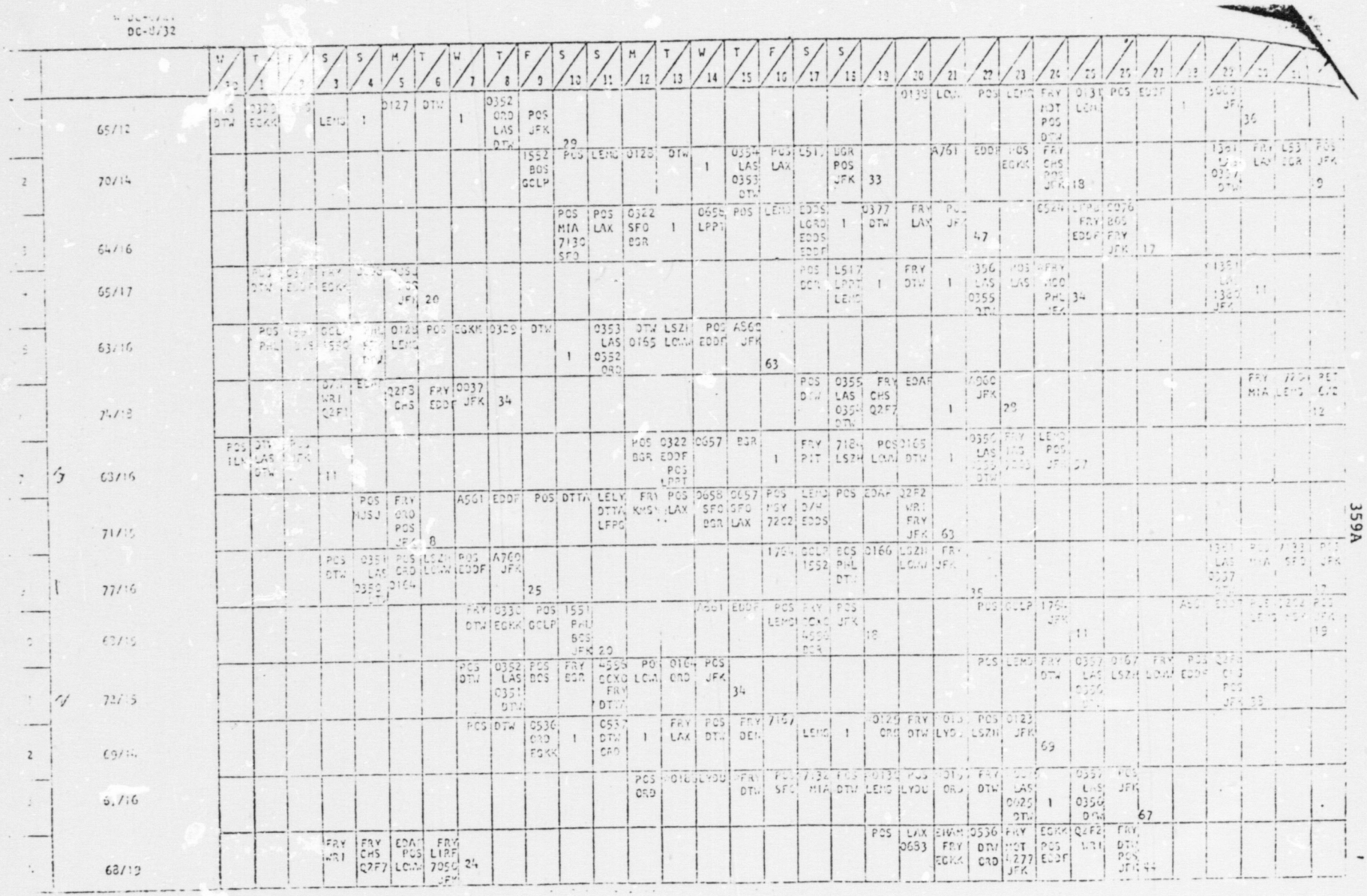
P. T/A

Q. A retired pilot, his spouse and qualified dependent children shall be granted pass privileges on Company aircraft to the same extent as active line pilots and shall be granted passes or reduced fare privileges on other air carriers to the extent permitted by such other carriers and current governmental regulations.

R. T/A

S. Open

T. Adequate sanitary facilities shall be made available on all Overseas National Airways aircraft to the extent possible.



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Sec April 15th

Sec 31

F-Thru H OK

I Co + Pilot Reqm to Present Back

J OK

K. As Rewritten by Co

L. Co wants This to cover all but Reserve Supt — (Pilot rejected)
Co will present a proposal for discussion

M-Thru P OK

Q OK as Rewritten

R OK

S Open

T. OK Held to extent possible

U Co Rejects

V. "

Co Support for 31 c Reserve Pilot on reserve Duty may be notified for Flt Duty Less than 24 hrs — consideration will be given to Reqm last —

When a Pilot is on Duty on Reserve notification for Flt Duty may be less than 24 hrs Co will consider and give assurance that adequate rest will be provided

Additional Page

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M. Exh. 6

From Mr.	R.H. Elten	To M/ All DC-8 Pilots and M/ Flight Engineers	Action	Info
Date	25 April 1975	Mr.		
Subject	DC-8 Bid Awards - May 1975	Mr.		
Reference		Mr.		
		Mr.		
		Mr.		
		Mr.		

BID		CAPTAIN	F/O	F/E
1.		Hoyt	Meade	Szaro
2.		Blakely	Malm	Scott
3.		Michael	Brege	LaFace
4.		Wintermyer	Melligan	Richards
5.		Potter	Bannerman	Mogey
6.		Feldman	White	Barilla
7.		Carson	Armentrout	Quack
8.		Francis	Lopez	Boganski
9.		Hanrahan	Sellner	Cocker
10.		Flavell	Mott	Parks
11.		Marshall	Lowenthal	Hall
12.		Skala	Allcott	Mion
13.		Willard	Molo	Stump
14		Furiong	O'Brien	Stowe
15.		**Secola	**Birky	**Gibeau
16.		**Veronelli	Kolfenbach	Konzen
17.		Andrechyn	Reuter	Lubicich
18.		Seaver	Green	Conatser
19.		Templeton	West	Antablian
20.		Dries	Dee	Kaye
21.	Res	Meldahl	Howe	Cassens
22.	Res	Smallwood	Clapp	Kozieski
23.	Res	Simandl	McConnell	Norton
24.	Res	Adams	Witting	Claquin
25.	Res	*Beavers	**Parker	Schooley
26.	Res	*Truman	*Harris	Williams
27.	Res	***Davis	Fox	**Sieg
28.	Res	***Roggero	**Doolittle	**Stetler
29.	Res	***Ball	Peavler	***Garner
30.	Res	***Crawford	Smith	***Roberti
31.	Res	***Kutschara	**Hladek	***Carroll
32.	Res	***Case	Huf	***Streetman
33.	Res	***Hamilton	**Nielsen	***Rgnanti
34.	Res	***Williams	Pilkington	***Cecin
35.		---	---	**Jones

*Vacation
**Assigned
***Training

R.H. Elten

ld

* DC-8/21
DC-8/32

DID		W/	T/ 1	F/ 2	S/ 3	S/ 4	M/ 5	T/ 6	W/ 7	T/ 8	F/ 9	S/ 10	S/ 11	M/ 12	T/ 13	W/ 14	T/ 15	F/ 16	S/ 17	S/ 18	M/ 19	T/ 20	W/ 21	T/ 22	F/ 23	S/ 24	S/ 25	M/ 26	T/ 27	W/ 28	T/ 29	F/ 30	S/
15	64/16				*LIMO PHL 0213 MCO 9	0212 PHL POS JFK 6					POS ORD 9	*FRY MJSJ 4317 JFK 9			*1869 IAD JFK	*1370 IAD JFK 5								FRY IAD	7160 LEWR	/	0130 DTW	FRY CHS			FRY		
16	63/18				*4317 MJSJ 4316 JFK 8							*4316 MJSJ 4335 ORD 9	POS PHL	*MCO PHL POS JFK 16			*LIMO PHL MCO PHL	POS MIA	*7131 SFO	POS JFK 17					FRY IAD	1765 ORLB	POS JFK 12			POS DTW	*0379 LAS 1360 JFK 10			
17	69/14			POS SFO 9	*4335 MJSJ 4334 ORD 9	POS JFK 2	*LIMO PHL 0214 MCO 9	0213 PHL POS JFK 6					POS ORD 9	0129 LEWR 10	POS EDDF 0133 JFK 10									POS MDT	7193	LSTN	/	FRY LYBD	0183 DTW	FRY MIA	7166 ORD	LSTN	SET 6/ 32
18	64/18			POS SFO	*7130 MIA POS JFK 17	1772 MACN 1771 JFK						*1773 MACN 1772 JFK		8					*1774 MACN 1773 JFK	8				POS CHS	0267	EDDF	POS LOWW	0166 DTW	FRY JFK	61	POS SFO	*0130 MIA POS JFK	10
19	69/16			POS MIA	*7129 LAX SFO	POS JFK	11				*LIMO PHL 0224 MCO 6	0214 PHL POS JFK 6								*LIMO PHL MCO PHL	FRY DTW 0225 LAS	POS JFK			POS SFO	*7133 MIA	POS DTW	*0227 LAS 0226 DTW	POS JFK	19	*1361 LAS 1360 JFK	11	*1362 MIA POS JFK	8
20	62/19	POS LAX	DTW LAS DTW	POS JFK	10						POS SFO	*7131 MIA POS JFK 9						*4318 MJSJ 4316 JFK		8			*FRY PHL MCO PHL	POS ORD	*0026 LAS 0225 DTW	POS JFK	15			POS DT	*0372 LAS 1359 JFK	10	*1363 MIA 7133	POS JF
21	RES				OFF	OFF	OFF	OFF	OFF	OFF							OFF	OFF	OFF	OFF	OFF	OFF											
22	MCO						OFF	OFF	OFF	OFF	OFF								OFF	OFF	OFF	OFF	OFF	OFF									
23	RES							OFF	OFF	OFF	OFF	OFF	OFF								OFF	OFF	OFF	OFF	OFF	OFF							
24	RES									OFF	OFF	OFF	OFF	OFF	OFF								OFF	OFF	OFF	OFF	OFF	OFF					
25	BEAVERS/OPEN/OPEN 2-15				OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF																	
26	TRUMAN/HARRIS/OPEN 1-21 1-21								OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF	OFF									POS CHS	FRY IMO	2147 EDDF FCO LEWR	7167 OPEN	F LF
27	DAVIS/OPEN/OPEN											OFF	OFF	OFF	OFF	OFF	OFF									OFF	OFF	OFF	OFF	OFF	OFF		
28	ROGERS/OPEN/OPEN													OFF	OFF	OFF	OFF	OFF	OFF									OFF	OFF	OFF	OFF	OFF	OFF	

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DC-9/32

BID		W	1	F 2	S 3	S 4	M 5	T 6	W 7	T 8	F 9	S 10	S 11	M 12	T 13	W 14	T 15	F 16	S 17	S 18	M 19	T 20	W 21	T 22	F 23	S 24	S 25	M 26	T 27	W 28	T 29	F 30	
29	BALL/OPEN/GARNER		OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF										
30	CRAWFORD/OPEN/[illegible]ERTI				OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF								
31	KUTSCHARA/OPEN/CARROLL						OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF						
32	CASE/OPEN/STREETMAN								OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF				
33	HAMILTON/OPEN/[illegible]ONOLTI										OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF		
34	WILLIAMS/OPEN/CECIL												OFF	OFF	OFF	OFF	OFF	OFF										OFF	OFF	OFF	OFF	OFF	OFF
	OPEN																									POS MIA 7132 SFO	POS JFK 8				DTW LAS DTW	JFKY JFK 5	
	TRIPS																								POC PHL	IAD JFK MJSJ JFK	1275 MACH 1774 JFK 19						

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PL. EX 7

OVERSEAS NATIONAL AIRWAYS

L188 LOCAL SCHEDULING RULES

February 10, 1972

OVERSEAS NATIONAL AIRWAYS

L188 LOCAL SCHEDULING RULES

A. Scope:

1. In accordance with Section Five (5) of the Pilots Working Agreement, and the Pilots Scheduling Policy, the following rules will be used in the scheduling of pilots on all L188 equipment.

B. Bid Preparation:

1. Every line trip shall be awarded or assigned to an eligible bid line holder, or if not pairable, posted as an open trip.

2. Each calendar month Crew Scheduling shall package trips into lines of flying proceeding as follows:

   a. Package all known flights into scheduled bid lines of flying containing

      1) A maximum of 85 and minimum of 65 monthly flight pay credit hours.
      2) The minimum monthly days of rest specified in the ALPA agreement, 12 (Twelve) or more.
      3) Equal numbered thirty-day (30) months in January, February, March; the last day of the month of January and first day of the month of March will be added to the month of February except in leap year periods when only the last day of January will be added to February.

   b. Determine reserve requirements and set up sufficient reserve lines, (minimum of one reserve line for each nine scheduled lines or portion thereof) to provide for:

      1) Vacations.
      2) Recurrent and other training requirements.
      3) Extra company or union duty assignments.
      4) Possible illness requirements.
      5) Anticipated/non-anticipated trip additions.

   c. Each scheduled bid line shall be constructed so as to achieve the maximum utilization of pilots.

   d. Distribution of days of rest is not restricted, except that days of rest shall be paired so as to provide each pilot one period of not less than six (6) days of rest. Every reasonable effort will be made to honor scheduled days of rest of bid line and reserve line crews.

e. Bid lines will be constructed so that pilots have choices ranging from maximum flight hours to maximum days of rest.

f. A pilot will be notified the dates of scheduled ground training requirements at the time approved bid lines are posted.

3. The following specific limitations shall apply to all "scheduled" bid lines:

a. Crews assigned to crew international or domestic flights will not be scheduled for duty time in excess of sixteen (16) hours as measured from two (2) hours prior to scheduled departure or at Sign-in and end thirty (30) minutes after block-in or at Sign out.

b. Trips combined as a turnaround thru the domicile within a period of twenty-four (24) hours or less are permitted.

1) Pilots scheduled to transit the domicile in less than twenty-four (24) hours will not normally be afforded hotel accommodations.

2) Pilots who are scheduled to transit the domicile with more than twenty-four (24) hours off duty turnaround time but, due to late operation of their flights, receive less than twenty-four (24) hours, will be afforded hotel accommodations, and transportation to and from the hotel.

3) Pilots who are assigned an addition to their schedule which provides less than twenty-four (24) hours off duty turnaround time, will also be afforded hotel accommodations and transportation to and from the hotel.

c. Each bid line shall be identified by number and shall indicate the planned pay credit time and days of rest.

4. The following specific limitations and rules apply to all "reserve" bid lines:

a. Reserve lines shall not indicate specific trips.

b. Each reserve line will contain at least one six (6) day period free of duty, and provide twelve (12) days of rest for the month. The days of rest shall be shown on the bid and bid award.

c. Reserve crews will normally be awarded trips on a first in first out basis. However, a reserve crew will be awarded impending trips as far in advance as possible (normally a minimum of twelve (12) hours) to insure adequate crew rest. At the time a reserve

crew is assigned a known trip, the scheduler will alert the next reserve crew that they now are the first out crew.

d. Reserve crew(s) on duty will be within four (4) hours of block out and shall coordinate with crew scheduling any projected absence or change from their contact.

e. If no reserve crew is available for a trip, the trip shall be awarded or assigned in accordance with the provisions of Section F.

f. Scheduled days of rest shall be held inviolate unless very unusual circumstances prevail.

g. Normally, a minimum of three (3) reserve crews will be scheduled for duty during the first three and last two days of the month.

h. Every day a reserve crew spends on duty they will be credited with a duty day.

C. Bid Procedures:

1. Proposed bid lines for the following month shall be available at the crew domicile by 1700 local time on the 6th day of each month for the approval of the ALPA Scheduling Committee.

2. The ALPA Scheduling Committee shall review the proposed bids and approve them by 1700 local time on the 8th day of each month. Should the 48 hour period fall wholly or partially on a weekend, it may be moved forward or backward in time by two (2) days by mutual concurrence of crew scheduling and the Scheduling Committee.

3. Approved bid lines shall be posted and mailed by 1700 local time on the 9th day of each month.

a. Such bids shall be accepted by bid box, mail, TWX, or phone (at pilot's own risk and expense) followed by written bid.

b. Bids will close at 1200 local on the 20th day of each month.

4. Bid awards and assignments shall be made by scheduling at 1600 local time on the 20th day of each month.

a. Bid awards shall always be made on the preferences by seniority.

b. Bid award lines, with the exception of open lines, shall reflect exactly the same number of trips, days off and trip departure dates as did the bid lines.

c. Bids and bid awards shall always show trips returning to domiciles.

d. When for any reason a pilot has failed to bid or made an insufficient bid, the scheduler shall assign a scheduled o. reserve bid line to such pilot after all awards have been made. If more than one pilot is in this category, the best assignments as judged by the scheduler shall be made and accepted.

e. All pilots shall be notified of bid awards by the most expeditious and appropriate means and shall become responsible upon receipt to report at the designated times for all listed awards and assignments.

D. Assignments to Schedule:

1. A line pilot is employed to devote his full working time to flying revenue and associated ferry trips for the company. He is directly governed in assignments by all of the provisions of the ALPA pilots working agreement, and those procedures set forth in the schedule policy, including the right to bid for lines of flying, to be awarded or assigned a monthly bid line, and to compete for open trip assignments.

2. Pilots holding executive positions with the company shall not be considered eligible to bid for or perform a scheduled or a reserve line of flying.

3. Notification for trips and all other duty assignments shall be made at least twenty-four (24) hours prior to the assignment.

4. When line checks are given, they will be conducted on the flight normally assigned to the pilot being checked.

5. No pilot will be displaced from his scheduled line or trip by a check pilot, trainee pilot or an executive pilot.

6. Nothing in this policy is meant to limit the trading of trips, days of rest, lines of flying or portions of lines when mutually requested by two pilots if approved by Crew Scheduling, so long as none of the provisions of the pilots working agreement are violated.

E. Schedule Adjustments:

1. A pilot that reports for duty or has not been notified of a trip delay at his contact within three (3) hours before departure will be placed on per diem and afforded rest at the nearest appropriate hotel. Transportation will be provided by the Company to and from the hotel. In addition, he will receive one (1) hour Flight Pay Credit for a show-no-go if he is later released from duty and does not fly the trip.

a. Pilots living reasonably close to the base may elect to remain home instead of using the hotel.

b. Pilots shall submit a duty termination report to account for such stand-by assignments.

2. Delays at enroute or layover points will similarly require the crew to remain in a stand-by status. No flight pay credit shall be paid, however, the crew will use hotel accommodations.

3. When major schedule changes are required due to delays, diversions, sickness, or trip additions, etc., crew scheduling shall make every effort to preserve bid line assignments and return the schedule to normal as soon as possible by any or all of the following means:

a. Use of reserve pilots.

b. Award or reassignment of similar trips or trips that occur on similar duty days, or through application of Section F, paragraphs e and f.

c. A change of assigned days of rest only when no other course of action is possible.

F. Open Flying:

1. Unpackageable trips, trips vacated by a scheduled lineholder and any new trips added to the schedule during the month which cannot be considered as replacements for cancelled trips shall constitute an open and unassigned line of flying.

2. Such open trips shall be awarded or assigned directly according to seniority as follows:

a. Every trip which is to be considered as an open flight shall be posted as such on the scheduler's work sheet as soon as it is known to the scheduler.

b. Each pilot that has been awarded or assigned a "scheduled" or a "reserve" bid line shall be eligible to compete for the assignment of open trips.

c. A scheduled lineholder who has lost time will be awarded any open trip on the scheduler's work sheet. If the pilot declines to bid on any open trip, he may be assigned a make-up trip as outlined in the following paragraph.

d. Each day at 0900 local time the scheduler shall determine the pilots who are eligible and available for open flying. Only these pilots shall then be contacted for the award or assignment of open trips having a show time occurring in the 24 hour period which starts at 1500 local time three (3) days later.

e. Each of these open trips shall then be awarded according to seniority in the following order:

1) To a scheduled lineholder who has lost flight hours through no fault of his own, or due to sick leave or training.

2) To any scheduled lineholder who has expressed a desire for open flying for that month, provided such open flying does not conflict with his bid line or days of rest requirement.

3) To a reserve lineholder who has less than 66 flight pay credit hours.

4) To a reserve lineholder who wants time.

f. If the trip cannot be awarded as above, it shall be assigned in the following order:

1) To a reserve lineholder who needs time.

2) To a scheduled lineholder who has lost flight hours and needs time, provided that such assignment will not interfere with the pilot's guaranteed quarterly days of rest.

3) To any other reserve lineholder.

4) To any other scheduled lineholder.

g. Any pilot may make a written request for any open flying assignment.

h. Assignment of an open trip to a scheduled lineholder who has not lost time shall be made only with the approval of the Supervisor of Scheduling, the Director of Flight Control, or the Vice President of Operations and the pilot so assigned shall be advised of such approval.

3. When a pilot is contacted for an available open trip, he shall be advised of the following information:

a. Departure time, trip itinerary, return time.

b. Insurance that trip will not conflict with the pilot's bid line or days of rest requirement.

c. Any other available open trip assignments.

4. Any pilot who is unwilling to make an immediate acceptance of an open trip award shall forfeit his right to be awarded this trip, but may be assigned the trip, in turn according to his seniority position.

5. No pilot shall be awarded or assigned an open trip which would prevent him from obtaining at least the minimum required quarterly days of rest, except with the approval of the Supervisor of Scheduling, the Director of Flight Control, and Vice President of Operations.

G. Military Obligation and Voluntary Military Participation

1. Military Obligation.

a. Pilots will indicate in writing to Crew Scheduling what days are committed to their military duty. This notification will be made no later than 72 hours after bid lines are awarded. It shall be assumed that one weekend per month is sufficient to comply with all military obligations (exclusive of the two (2) week summer training) and further that the individual pilot will keep up his military obligations so that no more than one weekend per month is required for his military committment.

b. In the case of the two (2) week summer training requirement, Crew Scheduling shall be informed in writing no less than 45 days prior to the planned military leave.

2. Voluntary Military Participation.

a. Pilots will indicate in writing to Crew Scheduling what days they plan to voluntarily participate in military activities. This notification will be made no later than 72 hours after bid lines are awarded.

b. In the case of the two week summer training requirement Crew Scheduling shall be informed no less than 45 days prior to the planned military leave.

3. General.

a. It shall be assumed that if a pilot does not express his wishes in writing for a specific military leave period, that he is eligible for extra flying, make-up flying, etc., as outlined in these scheduling rules and the Basic Working Agreement. Pilots will be given the opportunity to make up the days lost to military leave on a day for day basis: i.e., a five (5) day trip lost because of military leave would require the pilot to make up five (5) duty days regardless of the time lost or gained. This make up flying will be governed by the individual's seniority, these scheduling rules and the availability of open flying. If the days are not made up, the pilot's quarterly guarantee (duty days and 195 hour guarantee) will be pro-rated as outlined in the Basic Working Agreement dealing with leaves of absence.

b. For the purpose of these scheduling rules, it shall be assumed that any days lost to military leave places the pilot in the category of being eligible for assignment for make up trip(s) or flying.

H. Reports:

1. A summary of the credited flight pay hours and days of rest for the preceeding month shall be provided by the Company to the ALPA local Scheduling Committee for posting on the Crew Bulletin Board by 1700 local time on the 6th day of each month.

I. General Policy:

1. "Crew Rest" shall be that time between thirty (30) minutes after block-in to departing the hotel at termination of earned crew rest.

2. The philosophy shall prevail that the successful bidder of a line of flying shall retain that line as awarded, section D, paragraph 6, notwithstanding. Should a change in a pilot's schedule be forced due to very unusual circumstances, then the provisions of Section E, paragraph 3 shall prevail.

3. Pilots desiring Open Flying or additional flying for the following month will so indicate in the space provided on each monthly bid sheet.

4. Nothing in these scheduling rules shall preclude the policy of mutual cooperation between flight crews and management. These rules were formulated primarily for the every day fair and orderly administration of domicile pilot scheduling.

APPROVED:

ROBERT G. WARING
DIRECTOR OF FLIGHT CONTROL

C. B. BANNERMAN
COUNCIL 23 ALPA
LOCAL EXECUTIVE CHAIRMAN

APPROVED:

M. E. STARKLOFF
VICE PRESIDENT

THOMAS AHERN
CENTRAL SCHEDULING COMMITTEE
CHAIRMAN ALPA

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF NEW YORK

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AIRLINE PILOTS ASSOCIATION, INC., :

Plaintiff, : 75 C 836 (MAC)

v. :

OVERSEAS NATIONAL AIRWAYS, INC., : ANSWER

Defendant. :

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OVERSEAS NATIONAL AIRWAYS, INC., ("ONA"), by Breed, Abbott & Morgan, its attorneys herein, for its answer to the Complaint:

1. Denies the averments of paragraphs 1 and 2 of the Complaint.

2. Denies knowledge or information sufficient to form a belief as to the averments of paragraph 3 of the Complaint; except admits the averments of the second sentence of said paragraph 3.

3. Denies knowledge or information sufficient to form a belief as to the truth of the averments of paragraph 4 of the Complaint.

4. Admits the averments of paragraphs 5, 6, 7, 8 and 9 of the Complaint.

5. Admits the averments of paragraphs 10, 11 and 12 of the Complaint; except that the domicile in Georgia is in Warner Robbins, Georgia, not Macon, Georgia, as stated in the second sentence of paragraph 10, and except further that pilots are assigned to each domicile on the basis of periodic seniority bids to types of aircraft equipment, rather than as stated in

the third sentence of paragraph 10.

6. Denies the averments of paragraph 13 of the Complaint; except admits that the language of said Section 31.L. has existed unchanged in successive agreements between ONA and plaintiff for many years, and respectfully refers to said Section 31.L. for its terms.

7. Admits the averments of paragraphs 14 and 15 of the Complaint.

8. Denies the averments of paragraph 16 of the Complaint.

9. Denies the averments of paragraph 17 of the Complaint; except admits that on or about April 17, 1975, representatives of plaintiff and ONA drew up a summary of provisions of the Collective Bargaining Agreement on which discussions remain "open", and that discussions with respect to Section 31.L. were identified therein as being "open".

10. Admits the averments of paragraphs 18 and 19 of the Complaint.

11. Denies the averments of paragraph 20 of the Complaint, except admits that on or about May 14, 1975, ONA promulgated Pilot Bulletin #35-75, and respectfully refers to said Pilot Bulletin for its terms.

12. Denies the averments of paragraphs 21 and 22 of the Complaint.

13. Denies the averments of paragraph 23 and 24 of the Complaint, except admits that plaintiff's representatives communicated with ONA with respect to Pilot Bulletin #35-75, and respectfully refers to said communications for their contents.

14. Denies the averments of paragraph 25 of the Complaint.

15. Denies the averments of paragraph 26 of the Complaint; except admits that ONA advised representatives of plaintiff that the promulgation and implementation of Pilot Bulletin #35-75 is not subject to the provisions of Section 6 of the Railway Labor Act.

16. Denies the averments of paragraphs 27, 28, 29, 30, 31, 32 and 33 of the Complaint.

17. Denies the averments of paragraph 34 of the Complaint, except admits neither plaintiff nor any member of plaintiff ever filed a grievance or civil action with respect to the claims set forth in the Complaint.

18. In answer to paragraph 35 of the Complaint, ONA repeats and reavers the averments of paragraphs 1 through 17 above as though fully set forth herein, and with the same force and effect.

19. Denies the averments of paragraph 36 of the Complaint.

FIRST AFFIRMATIVE DEFENSE

20. The Complaint fails to set forth a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

21. The Court lacks jurisdiction over the subject matter of this action.

THIRD AFFIRMATIVE DEFENSE

22. The Complaint herein involves a dispute concerning the interpretation of a provision of the Collective Bargaining Agreement between plaintiff and ONA, which agreement provides for compulsory and final arbitration of said dispute.

23. Plaintiff has failed to pursue arbitration under said agreement, and has accordingly failed to effect a condition precedent to this action.

FOURTH AFFIRMATIVE DEFENSE

24. Plaintiff has failed to exhaust its administrative remedies under the Railway Labor Act and the Collective Bargaining Agreement between it and ONA.

WHEREFORE, defendant demands judgment dismissing the Complaint herein, together with the costs and disbursements of this action and such other and further relief as to the Court shall appear just in the premises.

Dated: New York, New York
June 27, 1975

Yours, etc.,

BREED, ABBOTT & MORGAN
Attorneys for Defendant
Office and P.O. Address:
One Chase Manhattan Plaza
New York, New York 10005
Tel.: (212) 944-4800

By: _____
Louis A. Mangone
For the Firm

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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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AIR LINE PILOTS ASSOCIATION, INTERNATIONAL,

75-C-836

Plaintiff,

v.

MEMORANDUM DECISION

OVERSEAS NATIONAL AIRWAYS, INC.,

Defendant.

JUL 24 1975

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Appearances:

Cohen, Weiss & Simon, Attorneys for Plaintiff, 605 Third Avenue, New York, New York 10016, by Michael E. Abram

Breed, Abbott & Morgan, Attorneys for Defendant, One Chase Manhattan Plaza, New York, New York 10005, by Louis A. Mangone

COSTANTINO, D.J.

On May 29, 1975 this court signed a temporary restraining order staying the defendant, Overseas National Airways, Inc. (hereinafter ONA), from implementing its plan to require pilots to station themselves within three hours driving distance of their equipment domiciles during their days of "reserve" duty (ONA Pilot Bulletin Number 35-75). Argument on the Air Line Pilots Association's (hereinafter ALPA) motion for a preliminary injunction was held on June 4, 1975. On June 5, 1975 this court issued a Memorandum and Order denying the motion, but on June 10, 1975 an order was issued vacating the previous order and setting a hearing date on the motion. The hearing was held June 11, 13 and 17, 1975 at which testimony, exhibits, affidavits and memoranda were offered.

The dispute centers on whether the Pilot Bulletin issued by ONA is a unilateral change in working conditions by the airline, in violation of Section 31.L. of the Collective Bargaining Agreement. Section 31.L. provides in pertinent part:

> A pilot shall have a minimum of twenty-four (24) hours

notification prior to
reporting for any duty. . . .

ALPA contends that ONA Pilot Bulletin No. 35-75, which states in part that "all line holders will be required to be within three (3) hours driving time of their equipment domicile during their days of reserve duty," violates Section 31.L. ONA responds that the 24 hour rule stated in Section 31.L. is satisfied when the notification is made at the beginning of the month as to the schedule (bid-line) a pilot will have, and that the airline is not and has never been obliged to give any additional notice to pilots before they are scheduled to fly when they are on reserve duty.

Briefly, the scheduling system at ONA works as follows. Pilots are assigned to "equipment domiciles" (the geographical location from which a pilot operates) without regard to their actual residences. Within each domicile pilots are assigned on the basis of periodic seniority bids to types of aircraft; these equipment bids occur only when ONA desires to change the number of pilots assigned to each type of aircraft. The last equipment bid for DC-8 and DC-10 aircraft (the type concerned in this action) took place in the Fall of 1974. ONA Captains and

First Officers also bid for and receive on a monthly basis either a "Scheduled Line" of flying or "Scheduled Reserve Line" (hereinafter Reserve Line) of flying. A "Scheduled Line" is defined as a "group of scheduled trips which have been paired together," while a "Reserve Line" is defined as "a line without any scheduled trips, or groups of trips paired together." (Agreement, Section 5.H.3.) Scheduled Lines and Reserve Lines are awarded to pilots on the basis of seniority according to preference. The arrangements change from month to month depending upon the nature of the lines available, i.e., when particular days of rest are scheduled. Pilots who have "reserve" lines customarily know only their scheduled days of rest. On other days they are required to leave with ONA crew schedulers a contact number where they can be reached for notification of flights.

Evidence was presented by ALPA that some pilots have refused to fly when they are given less than 24 hours notice and have never been disciplined. To counter ONA's assertions that pilots have often flown on less than 24 hours notice, ALPA maintained that these flights were performed because the pilots preferred to cooperate with

the airline and that they do not constitute an established practice. See United Transportation Union v. St. Paul Union Depot Co., 434 F.2d 220 (8th Cir. 1970), cert. denied 401 U.S. 975 (1971).[5] The proper interpretation of Section 31.L. is a matter for an arbitrator, not this court, Order of Railway Conductors v. Pitney, 321 U.S. 562 (1946); all that this court must determine is what the status quo is so that it may be maintained until the parties have an opportunity to follow the procedures of negotiation, mediation and arbitration under the Railway Labor Act.

The history of the discussions between the parties on the Section 31.L. question is important. In August 1973, after the present Collective Bargaining Agreement became effective, a meeting was held between a representative of ALPA's Central Scheduling Committee and ONA representatives for the purpose of developing Local Scheduling Rules (in accordance with Section 5.H.11. of the Agreement). At that meeting ONA stated that its interpretation of Section 31.L. was that pilots holding reserve lines could be assigned to duty at particular places designated by ONA and could be called to report for specific trip departures on less than 24 hours notice. In October 1973 Captain

Thomas Ahern, Chairman of the Central Scheduling Committee for the pilots, wrote to Mr. L. R. Ferriss, Jr., Assistant Vice President for Operations of ONA and noted his disagreement with that interpretation. In that letter Captain Ahern suggested that a better way to handle the Section 31.L. question would be to negotiate a "Side Letter" to the Collective Bargaining Agreement and that until the matter was resolved, its interpretation of the rule was that 24 hours notice would be required for all duty. In response ONA restated its interpretation. In several meetings held thereafter both positions were restated along with other matters which were then under negotiation. On November 25, 1974 ALPA, in accordance with the Railway Labor Act and the contract, notified ONA of its desire to enter into negotiations towards a new collective bargaining agreement. Negotiations began in January 1975 and continued at various times throughout the Spring. At one point ONA proposed that Section 31.L. be dekted from the Agreement altogether. ALPA refused to agree. At another point ONA proposed that the notification time for reserve pilots be reduced to a period of less than 24 hours. ALPA again refused to agree. ONA contends that it was not

attempting to "negotiate" the Section 31.L. question or change the rule at these meetings; it was merely attempting to clarify its interpretation to avoid possible difficulties with the pilots who believed that they were entitled to 24 hours notice. On April 18, 1975 the negotiators for both parties agreed that it would be necessary to have the services of the National Mediation Board, pursuant to Section 5 of the Railway Labor Act, 45 U.S.C. § 155, to aid their negotiations. A summary of items both agreed upon and open was drawn up for submission to the mediation board. (Plaintiff's Exhibit 2 in evidence). Among those items left "open" was Section 31.L. On May 14, 1975 ONA issued the Pilot Bulletin which is the subject of this litigation.

The determination of whether a preliminary injunction should be issued depends upon whether this dispute is classified as "major" or "minor." A "major" dispute arises "where there is no . . . agreement or where it is sought to change the terms of one," whereas a "minor" dispute is one which "relates either to the meaning or proper application of a particular provision with reference to the particular situation . . . ." Elgin, J. & E. R. Co.

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v. Burley, 325 U.S. 711, 723 (1945). ONA cites several cases which stand for the proposition that a dispute such as this must be termed a minor dispute unless its interpretation was:

> so frivolous and so obviously insubstantial as to warrant the inference that it is raised with intent to circumvent the procedures prescribed by section 6 for alteration of existing agreements.

United Transportation Union v. Baker, 499 F.2d 727, 730 (7th Cir. 1974), cert. denied 419 U.S. 839 (1974), quoting Southern Ry. Co. v. Brotherhood of Locomotive Fire & Eng., 384 F.2d 323, 327 (D.C. Cir. 1967). See also United Transportation Union v. Penn Central Transportation Co., 505 F.2d 542 (3d Cir. 1974); Rutland Railway Corp. v. Brotherhood of Locomotive Engineers, 307 F.2d 21, 36 (2d Cir. 1962); Airline Stewards & S. Ass'n, Local 550 v. Caribbean Atl. A., Inc., 412 F.2d 289, 291 (1st Cir. 1969). While this court cannot say with certainty that ALPA's interpretation of Section 31.L. is correct and ONA's is totally incorrect, it can infer from ONA's attempts to discuss and clarify the issue that ONA regarded the matter as open and ambiguous and in need of negotiation. Several

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further pieces of evidence buttress this view. When ONA faced a scheduling difficulty with regard to its Electra pilots, it appears that it negotiated with the Local Scheduling Committee for those pilots special rules which provided that less than 24 hours notice would be required. If Section 21 L. (which applies to all pilots) means what ONA says it means, this negotiation appears to have been unnecessary. ONA could have "unilaterally" put the special rules into effect - as it has done here. Furthermore, the Collective Bargaining Agreement clearly provides that Local Scheduling Rules should be negotiated. Thus, a matter such as the 24 hour rule appears to be a proper subject for negotiation. One last point is that ONA's position regarding what constitutes "duty" appears to be inconsistent with its contention regarding the 24 hour rule. ONA maintains that reserve pilots are "on duty" and therefore not entitled to 24 hours notice before each trip. If they are "on duty" and away from their domicile then the contract provides that they must be paid per diem expenses. It was testified to at the hearing that pilots on reserve duty are not paid per diem expenses. In addition, it appears that the days when pilots on reserve duty are not called for a trip are counted by the

company as "days of rest." This belies ONA's notion that these pilots are "on duty." This court concludes that while each side may honestly hold conflicting interpretations of Section 31.L., ALPA's interpretation is more consistent with the other contract language. This being so, ONA may not implement its Pilot Bulletin as planned, for to do so would be to take unilateral "self-help" without going through the necessary procedures of the Railway Labor Act. United Transportation Union v. Illinois Terminal R.R. Co., 471 F.2d 375 (7th Cir. 1972); United Transportation Union, Local 31 v. St. Paul Union Depot Co., 434 F.2d 220 (8th Cir. 1970), cert. denied, 401 U.S. 975 (1971). Accordingly, plaintiff's motion for a preliminary injunction is granted. Detroit & Toledo Shore Line R.R. v. United Transportation Union, 396 U.S. 142 (1969).

This court stated at the argument and restates here that it believes a settlement between the parties would be an appropriate manner of resolving the dispute. It therefore urges that neither party take any action which will prejudice or injure the other and that the pilots continue to cooperate with the airline to the extent possible. In view of the above reasoning, however, the enforcement of

FPI—SG—3-17-72—30M—9153

Pilot Bulletin 35-75 must be preliminary enjoined.

A security bond of $[illegible] shall be required.

Settle order on notice.

U. S. D. J.

FPI—SS—3-17-72—30M—5153

Filed in Clerk's Office
U.S. District Court
Aug. 2, 1975

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

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AIR LINE PILOTS ASSOCIATION, INTERNATIONAL,

Plaintiff,

-against-

OVERSEAS NATIONAL AIRWAYS, INC.,

Defendant.

- -x

75-C-836

ORDER

Upon the summons, complaint, testimony, exhibits, affidavits and memoranda of law herein, upon plaintiff's application for a preliminary injunction and upon the Memorandum Decision, signed herein on July 24, 1975, it is hereby

ORDERED, pending final determination of this cause, and conditioned upon the posting of security by plaintiff in the amount of five thousand dollars ($5,000), that the abovenamed defendant, Overseas National Airways, Inc. ("ONA"), its officers, employees and agents are directed to withdraw ONA Pilot Bulletin #35-75 respecting requirements for ONA's DC-8 and DC-10 reserve pilots' location within three (3) hours' driving distance of their respective equipment domiciles on their days of reserve duty, and to advise all ONA DC-8 and DC-10 pilots that said notice is withdrawn, and it is

FURTHER ORDERED that, pursuant to Rule 62(c), Fed. R. Civ. P., this order be, and hereby is stayed pending its appeal to the United States Court of Appeals for the Second Circuit.

/s/ Mark A. Costantino
Mark A. Costantino
United States District Judge

Brooklyn, N. York
August 1, 1975

1968 Richard E. Hockman

1968

AGREEMENT

between

OVERSEAS NATIONAL AIRWAYS, INC.

and

THE AIR LINE PILOTS

in the service of

OVERSEAS NATIONAL AIRWAYS, INC.

as represented by

THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

SECTION 5
HOURS OF SERVICE

(A) Eighty-five (85) hours of flying shall constitute the monthly maximum for pilots.

(B) This Agreement contemplates that pilots shall devote their entire professional

flying service to the Company except that nothing in this Agreement shall be construed to prevent any pilot from affiliating with the military and naval services of the United States.

(C) The flight time limitations and rest periods for pilots set forth in the Federal Air Regulations as of June 1, 1954 shall continue in effect for the operations of the Company. Should such regulations subsequently be altered or amended by the appropriate government agency, conferences will be initiated to determine whether such alteration or amendment shall apply to the operations of the Company.

(D) Due to the international characteristics of the Company's operation, Paragraph (A) of this Section shall not apply to such operation provided that two hundred fifty-five (255) hours of flying shall constitute the quarterly maximum for pilots assigned to international flying.

(E) A reasonable rest period will consist of the greater of:

1. When flying as a member of a flying crew of three (3) or more pilots, a pilot upon return to his principal operations base from any flight or series of flights, shall receive a rest period of not less than twice the total number of hours aloft, as a member of the flight crew, since the last rest period at his principal operations base before being assigned to any further duty

with the operator. When the required rest period exceeds seven (7) days, that portion of the rest period in excess of seven (7) days may be given at any time before the airman is again scheduled for flight duty.

2. One (1) day off for each day that a pilot has been away from his base up to maximum of ten (10) days of which the first three (3) days will be free of all duty. When the required rest period exceeds three (3) days, one-half (1/2) of the remaining rest period shall be free of all duty, and applied as further provided. Following a period of flight duty, after the applicable period of rest free of all duty is completed, the pilot will be available for training flight or link training during the remainder of the rest period. If operational requirements demand a pilot's services prior to the completion of his earned rest period, the unused portion shall accrue within the calendar quarter. The foregoing shall in no way diminish a pilot's right to at least thirty-six (36) days of rest at his base per calendar quarter.

Any uncompleted rest period remaining to the pilot's credit at the end of the applicable calendar quarter shall be applied to the pilot's vacation time at the daily rate of the corresponding quarter earnings, provided, however, that this sentence shall not apply if the pilot has averaged twelve (12) days rest per month at his base during such calendar quarter. The

Company will make every reasonable effort to provide this twelve (12) days of rest on a monthly basis.

3. Provided further that when the pilot has been away from his domicile sixty (60) consecutive days he will be granted one (1) day of rest at his domicile for each day away after sixty (60) consecutive days until his return. This time to be in addition to the maximum of ten (10) days stated above.

4. This Sub-paragraph shall apply only when the Company is engaged in a scheduled-type operation for the entire calendar quarter where three (3) or more DC-6 A/B and/or DC-7 type aircraft, and any combination thereof, are operating over a single route pattern or series of route patterns. (For example, three (3) DC-6 A/B and/or DC-7 aircraft, and any combination thereof, operating from Travis AFB, California, through Honolulu and Wake to one or more points in the Far East from January 1 through March 31 on MAC scheduled operation.) A pilot, while flying in such operation shall not be entitled to the provisions of Sub-paragraph 2 above, but shall in lieu thereof be entitled to receive a minimum of one (1) hour pay and flight time credit for each five (5) hour elapsed period or pro rata fraction thereof, measured from one (1) hour prior to block departure to one-half (1/2) hour after block arrival on return to his base station after

the flight. The difference between actual time flown during the calendar quarter and the minimum credit provided in this Paragraph shall be computed. When the computed minimum credit is larger, such difference shall be added to the actual time flown during the calendar quarter for pay and flight time credit purposes. The provisions of this Sub-paragraph shall not apply if the pilot has averaged thirteen (13) days' rest per month during such calendar quarter. The Company shall make every reasonable effort to provide this thirteen (13) days of rest on a monthly basis.

5. For purposes of the foregoing paragraphs, the day on which a pilot is called out and reports for duty shall be considered a day of duty, and the day a pilot returns to his base shall be considered a day of duty. Calendar day shall be based on the pilots home base. A full day is defined as 00:00 to 23:59 local time.

6. It shall be the responsibility of pilots entitled to additional vacation time under Sub-paragraph 2 above or to remuneration under Sub-paragraph 4 above to make written claim, supported by necessary facts, to the Vice President of Operations for such vacation time or such remuneration within a reasonable time, following the close of the applicable calendar quarter. Unless there are unusual circumstances, a reasonable time shall be deemed to be thirty (30) days following the close of the applicable calendar quarter.

7. The Company and the ALPA Scheduling Committee will mutually agree within thirty (30) days after the signing of this Agreement, upon a Scheduling Policy Manual, which shall be incorporated into and become a part of the Basic Pilots Employment Agreement. If any conflict between the Scheduling Policy Manual and the Basic Pilot Employment Agreement arises, the Basic Pilot Employment Agreement shall prevail.

SECTION 32
GENERAL

(A) No pilot shall be required to pay for the use of any Company equipment used in pilot training required by the Company.

(B) No pilot shall be required to pay for damage costs of airplanes or equipment damaged in the service.

(C) An individual personal file shall be maintained on each pilot in the employ of the Company and shall contain all semi

annual progress reports and all written orders issued to the pilot affecting a change of station or status. Copies of all reports, orders and all practice training flights and check flights shall be contained in this file. The Company shall not place anything in this file detrimental to the pilot's interest unless the pilot is given a copy thereof or notifies him in writing of the presence thereof in the file. A pilot may request a review of his file with his supervisor at any time that he feels that anything detrimental to his interest may be in his file. In any event, a review of this file shall be made by his supervisor with the pilot present every six (6) months.

(D) Life of the uniform shall be deemed to be two (2) years from the date of adoption or date of hire, and if the style, color, or material of the uniform is changed at the Company's option prior to such two (2) years the Company will reimburse the pilot for the unused life of the obsolete uniform. The Company will have the right to approve the manufacturer of any item of the uniform.

(E) When a change is to be made, the Company will give not less than thirty (30) days' notice of any intended change in style or color of uniforms, and the pilots will act with reasonable promptness in making their recommendations.

(F) The salaries of the pilots shall be paid in United States currency.

(G) No pilot shall be required to violate any governmental or Company regulation.

(H) All orders to pilots assigning them to special duty or transfers to different stations shall be in writing.

(I) All pilots are subject to all Company policies now or hereinafter in effect except as they may be inconsistent with anything contained herein.

(J) A pilot who is called from furlough shall be guaranteed one (1) month's employment as pilot or one (1) month's base pay, plus applicable flight pay for sixty-five (65) hours subsequent to his recall.

(K) Operational bulletins which have been in existence for a period of six (6) months or more not incorporated into the Operations Manual shall not be used nor referred to during the processing of any disciplinary action which may be levied against a pilot. No materials (except mandatory inclusions prescribed by Government regulation or by law) shall be incorporated into the Operations Manual if such materials are in any way inconsistent with anything contained in this Agreement.

(L) A pilot shall have a minimum of twenty-four (24) hours' notification prior to reporting time for any duty and a minimum of seventy-two (72) hours if the notification is for a temporary assignment.

(M) A pilot who is alerted, called out, and reports for flight duty (exclusive of training), shall be granted a minimum of one (1) hour's pay and flight time credit.

(N) In the event the Company elects to schedule aircraft into or through war zones, combat zones, or zones considered hazardous by the United States Department of State, or in the event the Company elects to fly material considered hazardous, the Company shall request pilot volunteers. In the event that the pilot otherwise entitled to fly elects not to volunteer, the Company may schedule pilots from other volunteers, and the provisions of Section 16 (A) shall not apply. The provisions of this Paragraph shall not apply to trips, charters or contracts flown or to be flown for, or under the auspices of, the United States Government or any department or agency thereof.

(O) In the event the Company's operations will require operations into or over areas where hostilities are in existence or designated as areas that are unsafe or hazardous by the State Department, the Company will provide each pilot involved in such operations with life insurance coverage in the amount of one hundred thousand dollars ($100,000). This insurance coverage shall commence from block departure of all flights into the area of hostilities described above, and shall terminate

upon block arrival at the first station outside of the hostile area described above.

(P) Each pilot on flights requiring an FAA waiver for transportation of explosives and other dangerous articles, routing, areas, performance of landing shall be covered by a life insurance policy of one hundred thousand dollars ($100,000) while flying such flights.

(Q) The Overseas National Airways, Inc. Fixed Benefit Retirement Plan for Pilots established effective January 1, 1969, and the Variable Benefit Retirement Plan for Pilots established effective January 1, 1969, shall remain in full force and effect without change concurrently for the duration of this Agreement, subject to the provisions of Section 35 hereof.

OVERSEAS NATIONAL AIRWAYS
PILOT SCHEDULING POLICY

In accordance with Section Five (5) of the Pilots Working Agreement, the following rules will be used to provide for the uniform administration of Pilots Scheduling. Application of these schedule rules must not abrogate any provisions of the Pilots Working Agreement.

SCHEDULE PLANNING POLICY AND ADMINISTRATION

As specified in the Company Operations Manual, the Vice President of Operations shall establish the man-power requirements in the monthly pilot schedules. In administering this policy, the Vice President of Operations and/or his designee shall establish the trip pairings, duty period assignments, and proposed lines of flying which are to be used for each equipment type flown from each domicile in accordance with applicable provisions of the Pilots Working Agreement and this scheduling policy.

No revision of such pairings or duty period assignments may be made unless mutually agreed upon between the Vice President of Operations and the ALPA Central Scheduling Committee.

Accumulated flight time shall not be a factor or a consideration in the preparation of the pilots schedule.

The planning policy in pairing trips will do so to provide the best overall working conditions considering Federal Aviation Agency Regulations, the Pilots Working Agreement, Utilization, Economy of Operation and On-Duty Limitations. The Vice President of Operations, when assigning trips will endeavor to assign within the considerations of this paragraph the more desirable pairings to the senior group.

A local Scheduling Committee shall be appointed by the Local Executive Council to assist the Vice-President of Operations and/or his designee in formulating Local Scheduling rules for each domicile and each equipment type flown from each domicile. The Local Scheduling Committee shall also assist the Vice-President of Operations and/or his designee in pairing trips for Pilots Schedules.

It shall be mutually agreed upon between the Vice-President of Operations and/or his designee and the Local Scheduling Committee that whenever it is found that any provision(s) of the Local Scheduling Rules no longer applies to the requirements of reasonable scheduling, or such time as it is desirable to amend any of the provisions, the Vice-President of Operations and/or

his designee and the ALPA Central Scheduling Committee shall formulate such amendments and by mutual agreement submit said amendments to the Master Executive Council Chairman for his review and approval.

The Vice-President of Operations and the ALPA Central Scheduling Committee Chairman shall be kept informed of any anticipated amendments and given ample opportunity to study the proposals prior to any meeting(s) between the Company and the ALPA Central Scheduling Committee.

It shall be the joint responsibility of the Vice-President of Operations and ALPA Central Scheduling Committee to insure that all pertinent information is forwarded to all concerned as it becomes available.

For the purpose of Pilot Scheduling, the following Definitions and General Policies will apply.

DEFINITIONS

A Pilot shall be defined as "Assigned" when he has been awarded a schedule under the provisions of the Scheduling Rules.

A Pilot shall be defined as "Assigned Reserve" when he has been awarded a

Reserve Schedule under the provisions of the Scheduling Rules.

A "Scheduled Line" of flying shall be defined as a group of scheduled trips which have been paired together.

A "Scheduled Reserve Line" of flying shall be defined as a line without any scheduled trips, or group of trips paired together.

An "Open Line" of flying shall be defined as a line with a scheduled trip, or group of trips that cannot be reasonably paired.

An "Open Trip" shall be defined as a trip, trip segment or series of trips for which an assigned pilot is not available. An "Open Trip" is further defined as a trip appearing in an "Open Line" of flying.

GENERAL POLICIES

A Pilots Schedule assignment is an individual assignment. Each Pilot will fly his assigned trip(s) or portion(s) thereof unless deviation is permitted or required by the Vice-President of Operations and/or his designee.

A Pilot shall be awarded a "Scheduled Line" assignment or a "Scheduled Reserve Line" assignment in order of seniority and

individual preference. Assignment by virtue of seniority and preference shall be deemed a Pilots right as well as a privilege.

A "Scheduled Line" of flying shall not be less than sixty five (65) hours of flight time. Such scheduled line of flying shall reflect at least twelve (12) days off in any one month. The days off shall be so paired so as to provide the assigned Pilot one period of not less than four (4) days off.

A "Scheduled Reserve Line" of flying shall be established for each nine (9) scheduled lines of flying or portion thereof. Such "Scheduled Reserve Lines" of flying shall reflect at least twelve (12) days off in any one month. The days off shall be so paired so as to provide the assigned Pilot one period of not less than four (4) days off.

An "Open Line" of flying shall be less than sixty five (65) hours of flight time and shall not be assigned.

Pilot assignment, eligibility and competition for open flying shall be governed by an agreement between the Vice-President of Operations and the ALPA Central Scheduling Committee.